CITY OF
FARMERS BRANCH
TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2024

City of Farmers Branch, Texas
Annual Comprehensive Financial Report
For the Year Ended September 30, 2024

City Council:

Terry Lynne	Mayor
Omar Roman	Mayor Pro Tem, District 1
Martin Baird	District 2
David Reid	District 3
Richard Jackson	Deputy Mayor Pro Tem, District 4
Roger Neal	District 5

(From Left) Mayor Pro Tem Omar Roman, Councilman Martin Baird, Councilman Roger Neal, Councilman David Reid, Mayor Terry Lynne, Deputy Mayor Pro Tem Richard Jackson

City Manager
Benjamin Williamson

Prepared by the
City of Farmers Branch Finance Department

Annual Comprehensive Financial Report
For the Year Ended September 30, 2024

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(concluded)

City of Farmers Branch
13000 William Dodson Parkway
Farmers Branch, Texas 75234

April 23, 2025

Honorable Mayor Terry Lynne,
Members of the Farmers Branch City Council, and
Citizens of Farmers Branch, Texas

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Farmers Branch, Texas (the City) for the year ended September 30, 2024. The ACFR provides accurate and meaningful information concerning the City's financial condition and performance. In addition, independent auditors have verified that the City has fairly presented its financial position, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

The ACFR satisfies Section 103.001 of Texas Local Government Code requiring annual audits of all municipalities. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position and results of the City. We also believe all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs are included. To provide a reasonable basis for making these representations, City management has an established comprehensive internal control framework that is designed: 1) to protect the City's assets from loss, theft, or misuse; and 2) to compile sufficient, reliable information for the preparation of the City's financial statements, in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

The City's financial statements were audited by Forvis Mazars, LLP, a licensed certified public accountants' firm. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involves:

- examining evidence on a test basis that supports the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation.

The independent auditors concluded that the City's financial statements are in conformity with GAAP, are fairly presented, and there is a reasonable basis for providing an unmodified opinion. The independent auditor's report is presented as the first component of the financial section of this report.

The financial statements audit is part of a broader, federally mandated "Single Audit," which is designed to meet the special needs of federal granting agencies. These reports are available in the City's ACFR.

GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A. The City's MD&A is found immediately following the report of the independent auditors.

Reporting Entity

This report includes all funds of the City including its blended component units and joint ventures. Component units are legally separate entities for which the City is financially accountable, but are not part of the City's operations. The Farmers Branch Tax Increment Financing Districts No. 2 and No. 4, Farmers Branch Tax Increment Reinvestment Zone No. 3, and the Farmers Branch Local Government Corporation (FBLGC) are included as blended component units and the North Texas Emergency Communications Center, Inc. (NTECC) and North Dallas County Water Supply Corporation (NDCWSC) are included as joint ventures. Additional information on these six entities can be found in the notes to the financial statements.

Profile of Farmers Branch

The City covers approximately 12.1 square miles and is conveniently located on Dallas' northern border. It lies in the heart of an 11-county area that has emerged as a premier commercial, financial, and trading center. Two major interstate highways (IH-35 and IH-635), the Dallas North Tollway and the President George Bush Turnpike, border the city. The Dallas/Fort Worth International Airport and the Dallas Love Field Airport are both only minutes from Farmers Branch.

The City of Farmers Branch was incorporated in 1946 under the general laws of the State of Texas. In 1956, a home-rule charter was approved adopting a Council-Manager form of government. The Charter can be amended only by a vote of the people and provides for six non-partisan Council members, including the Mayor, to be elected to staggered terms of three years, with the terms of two members expiring every year. Term limits allow two terms for at-large members and an additional two terms for an at-large member who becomes Mayor. The Council is responsible for enacting ordinances, resolutions, and regulations governing the City as well as adopting the annual budget which serves as the foundation for financial planning and control. The City Council appoints the City Manager, who has full responsibility for carrying out Council policies and administering City operations. The Council also appoints the Municipal Judge and various advisory boards. The City Manager is the Chief Executive Officer for the City.

The Farmers Branch population is estimated at 36,917 (July 2023 estimate, Census.gov), with a daytime population in excess of 75,000. The City provides a full range of municipal services including water/sewer and stormwater utility services, sanitation/solid waste services, police and fire protection, emergency ambulance service, municipal courts, building code enforcement, library, parks and recreation, tourism, traffic engineering, and construction and maintenance of streets and infrastructure. The City currently supports a staff of 488 full time employees.

Factors Affecting Financial Condition

Local Economy

Farmers Branch is located in the center of the Dallas-Fort Worth-Arlington metropolitan area. The metro area has a broadly diversified economic base, low unemployment rate, growing labor force, and a superior business climate with economic measures that are superior to the United States as a whole. The metroplex population gained more people over the past decade than any other U.S. metro area. The metro area is comprised of 8,676 square miles with 8.1 million in population. The median household income is $86,860.

The City of Farmers Branch has an unemployment rate of 3.9% (July 2023 estimate, Census.gov) with a median per capita family income of $87,702 (2023 dollars, 2019-2023). The owner-occupied housing unit rate is 46.1% with a median value of owner-occupied housing units of $322,000 (2019-2023). High school graduates or higher comprise 85% of the population age 15 and above, with 48.2% attaining a bachelor's degree or higher. 75.7% of the population over age 16 participate in the civilian labor force.

Farmers Branch children are served by the Carrollton-Farmers Branch Independent School District, which has a total student population of 24,386 and a 92.67% graduation rate, maintaining 38 campus locations. Quick Facts shows that it is rated B+ by the Texas Education Agency Accreditation, Grade A financial rating. Students represent 116 countries with 66 languages spoken.

Long Range Financial Planning

The City has a multi-year financial and capital improvement plan where general ongoing operations and capital projects are prioritized based upon the City's annually updated strategic initiatives, which are in balance with expected funding resources.

The City has a very healthy Unrestricted Net Position of nearly $75 million at the close of FY 2023/24, with $75.44 million in outstanding debt, of which $24.37 million is self-supporting (Dallas Stars) and is not paid from Ad Valorem Taxation. The City has $5.5 in authorized but unissued debt that will likely be issued over the next 12 months for water and sewer capital projects. Considering the City's long standing and consistent financial results, the City's Long-Term IDR, GO and CO rating from FitchRatings is AAA with a Stable Rating Outlook. S&P Global Ratings assigned its AAA rating with a Stable Outlook also. In their August 23, 2024, rating outlook, they stated, "The outlook reflects S&P Global Ratings' view of the city's healthy income and property wealth, benefitting from its participation in the dynamic Dallas-Fort Worth Metroplex, as well as its consistently strong budgetary performance and maintenance of very strong available reserves."

Financial Policies

The City's financial policies and practices set forth the basic framework for the fiscal management of the City. The policies and procedures were developed within the parameters established by applicable provisions of the Texas Local Government Code and Government Code, and the City of Farmers Branch Charter. The City invests funds prudently and has adopted an investment policy, which is reviewed annually by the City Council in accordance with the Texas Public Funds Investment Act. The Fund Balance and Unrestricted Net Position Balance in each of the funds more than covers working capital requirements for four months of operations. All other policies and procedures for accounting, budgeting, procurement, capital improvements, asset management, and risk management are approved by the Finance Director and City Manager.

Financial Results

During this past fiscal year, the City accomplished many initiatives to enhance livability, invest in infrastructure, and support economic development initiatives.

The FY 2023/24 adopted property tax rate of 57.3559 cents per $100 valuation was a reduction from the prior year rate of 58.9 cents, which places Farmers Branch as one of the lowest property tax rates in Dallas County. Taxable Assessed Value, net of exemptions and reductions, was $9.3 billion, increasing by over $3 billion in just three years.

Property, Sales, and Franchise Taxes in the General Fund were $73.8 million, up from $71.4 million in the prior year, or 3.3%. Over just four years, this is an increase from $51.5 million in FY 2019/20, or 43.2%. Total General Fund revenues were $93.6 million, up from $88 million in the prior year, a 6.4% increase.

The General Fund Balance at fiscal year end was $45.8 million, which is an increase of $7.3 million. Fund Balance has essentially doubled over the past 4 years. For the Water and Sewer Enterprise Fund, the Unrestricted Net Position at fiscal year end was $26.9 million, nearly double the level just four years ago. The Stormwater Utility Enterprise Fund had an Unrestricted Net Position of just under $2 million which funds ongoing stormwater capital projects.

Major budget initiatives for the fiscal year included:

- Building enhancements and renovations including the lobby of City Hall, the Justice Center and Branch Connection Senior Center,
- Animal Shelter enhancements to include a cat solarium (funded by an endowment),
- Dallas Area Rapid Transit authority projects of approximately $5.9 million,
- Approximately $8.5 million in new grant funded projects focused primarily on connectivity and transportation activities,
- Street revitalization and improvements,
- Storm water and drainage improvements,
- Squire Park enhancements,
- Increased public safety funding,

- Investments in neighborhoods and neighborhood partnerships,
- Additional funding for the Revenue Stabilization Fund,
- Council Chamber renovations,
- Completion of an event center at the Historical Park,
- Utility replacements, including inflow and infiltration projects, and
- Landfill closure/post-closure funding.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Farmers Branch for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. The City has received this prestigious award for thirty-five consecutive years. In order to be awarded a Certificate of Achievement, the City must publish easily readable and efficiently organized financial statements that satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes its current financial statements continue to meet the Certificate of Achievement Program requirements and is submitting it to the GFOA to determine eligibility for another certificate.

The preparation of this report would not be possible without the dedicated services of the entire staff of the Finance Department. I especially thank Pamela DeHon, Accounting Manager; and Suzanne Prichard, Budget Manager, for their countless hours of work on this financial report.

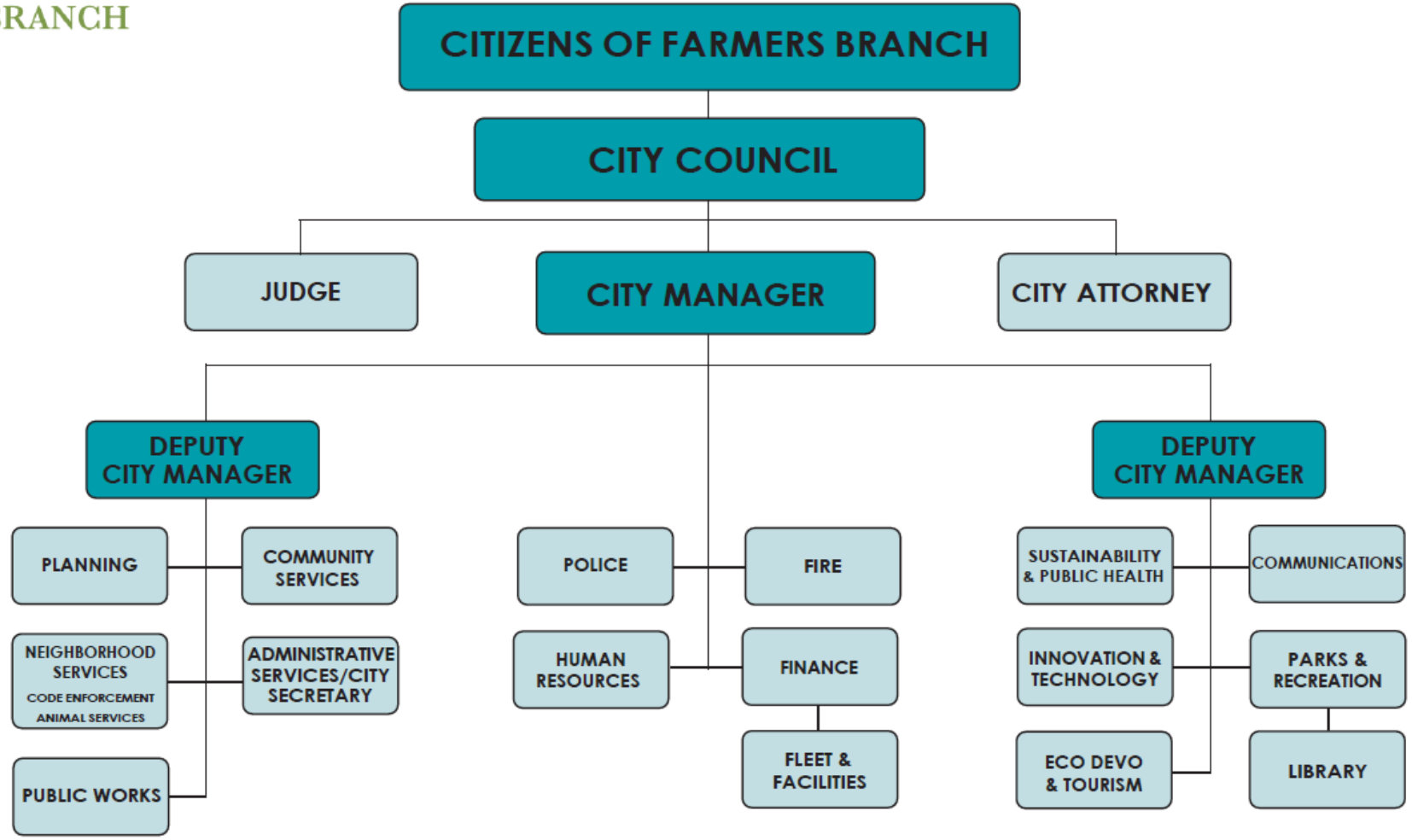
Respectfully submitted,

Benjamin W. Williamson

Benjamin Williamson
City Manager

FARMERS BRANCH

CITY OF FARMERS BRANCH
2023-24 ORGANIZATION CHART

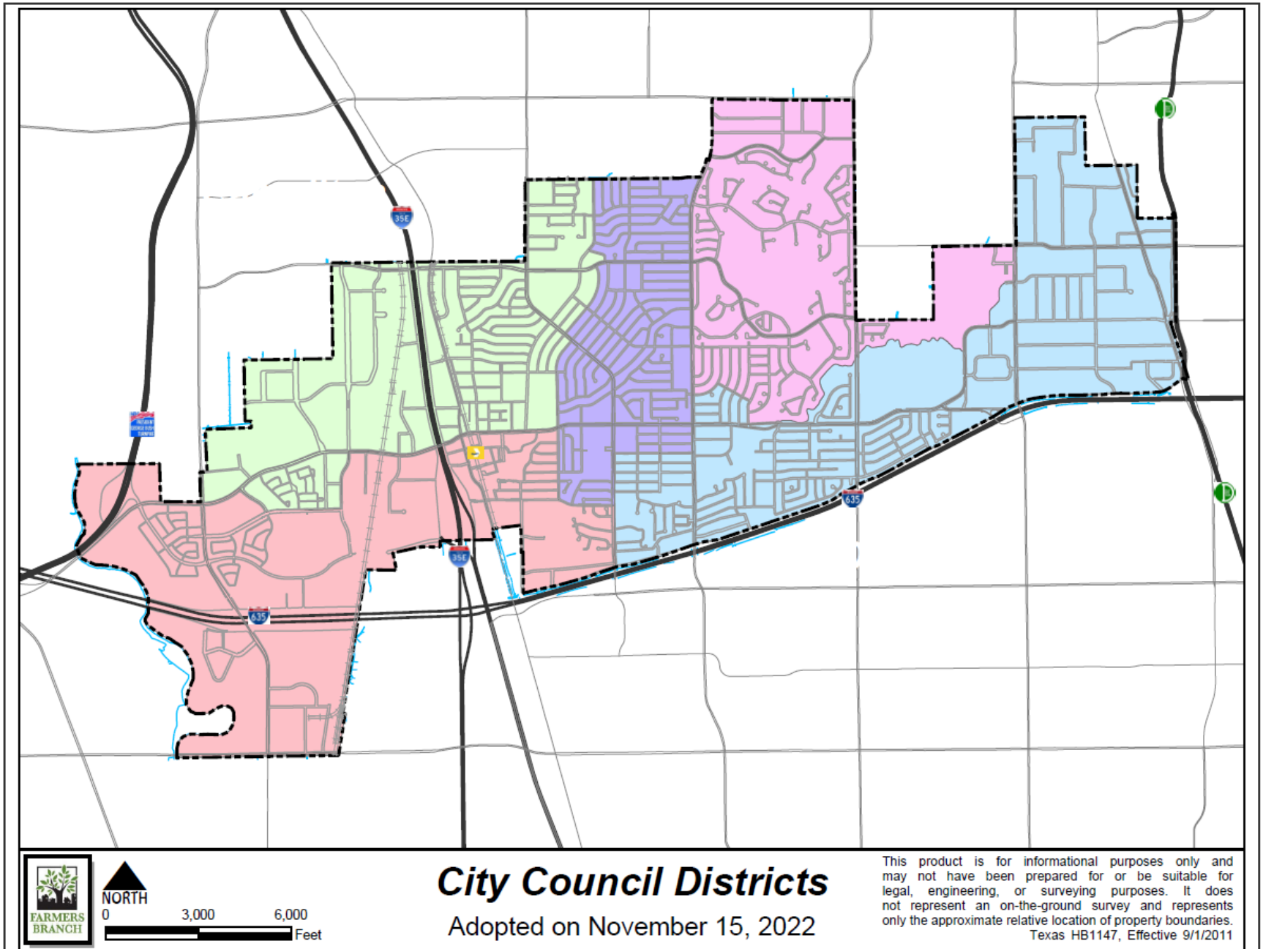


City of Farmers Branch, Texas
List of Principal Officals

City Council	Position	District	First Elected	First Elected
Terry Lynne	Mayor	N/A	2023	2026
Omar Roman	Mayor Pro Tem, District 1	District 1	2022	2025
Martin Baird	Councilmember, District 2	District 2	2023	2026
David Reid	Councilmember, District 3	District 3	2024	2027
Richard Jackson	Deputy Mayor Pro Tem, District 4	District 4	2022	2025
Roger Neal	Councilmember, District 5	District 5	2024	2027

EXECUTIVE LEADERSHIP

Benjamin Williamson	City Manager
Jawaria Tareen	Deputy City Manager
Shannon Willis	City Judge
Stacy Henderson	City Secretary/Administrative Services & Communications Director
Danielle Summers	Community Services, Building Inspections & Code Enforcemen Director
Perla Tavera	Economic Development, Tourism & Planning Director
Tammy Zimmerman	Finance Director, Fleet & Facilities Director
Daniel Latimer	Fire Chief
Yoko Matsumoto	Human Resources Director
Mark Samuels	Innovation & Technology Director
Robert Diaz	Parks & Recreation Director
Kevin McCoy	Police Chief
Ray Silva-Reyes	Public Works Director


FARMERS BRANCH
NORTH
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3,000
6,000
Feet
City Council Districts
Adopted on November 15, 2022
This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.
Texas HB1147, Effective 9/1/2011

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Farmers Branch
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

Forvis Mazars, LLP
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Dallas, TX 75254
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Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Farmers Branch, Texas

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Farmers Branch, Texas (City), as of and for the year ended September 30 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general and grants funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section, statistical section, and continuing financial disclosure tables but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Forvis Mazars, LLP

Dallas, Texas
April 23, 2025

As management of the City of Farmers Branch (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The City's total combined net position as presented on the Government-wide Statement of Net Position was $328,278,883, which represents an increase of $36,578,460 from the prior year. This was primarily due to increased revenue related to property taxes, investment earnings, and grant revenue in connection with the City's continued participation in the American Rescue Plan Act (ARPA) grant. This increase in net position, was also a result of cost saving efforts related to the City's expenditures.

- The City's governmental funds reported combined ending fund balances of $94,743,659, a decrease of $7,714,480 in comparison with the prior year. The decrease was the result of capital outlay, primarily related to the Stars Multi-Sport Complex.

- The unassigned fund balance for the general fund was $22,211,703 or 26.95 percent of total general fund expenditures plus other financing sources (uses). This represents a decrease of $1,201,721 from the prior fiscal year.

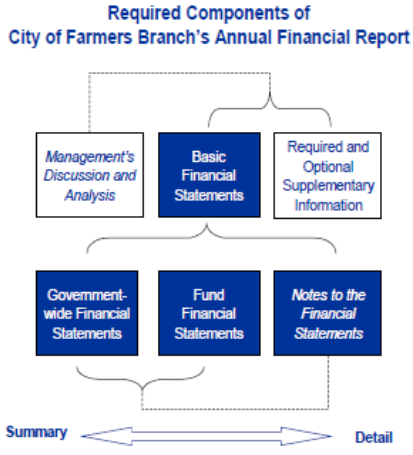
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of fund balance) for the general fund was $41,952,130 or 49.73 percent of total general fund expenditures.

- The City's long-term liabilities decreased $17,133,184 during the current fiscal year primarily due to the City's net pension liability and compensated absences decreasing from prior year. The accounting standards for pensions will reflect more volatility in the amount of the liability from year-to-year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information required to be presented by the Governmental Accounting Standards Board and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements - The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.



The statement of net position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City include water and sewer and stormwater utilities.

The government-wide financial statements can be found in Exhibit A of this report.

Fund Financial Statements - A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories - governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains 27 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, grants fund, debt service fund, Dallas Stars Multi-Sport fund, and Non-Bond capital projects fund, which are the five major funds for the reporting year. Data from the other 22 funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found in Exhibit B of this report.

Proprietary Funds - The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sanitary sewer utility and stormwater long-term construction projects. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its facilities and fleet management, workers' compensation, and health claims funds. Because these services predominantly benefit governmental rather than business-type functions, they have been primarily included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The water and sewer fund is considered a major fund of the City. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found in Exhibit C of this report.

Notes to Basic Financial Statements - The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found in Exhibit D of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits (OPEB) to its employees. Required supplementary information can be found in Exhibit E of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the required supplementary information on pensions and OPEB. Combining and individual statements and schedules can be found in Exhibit F through Exhibit H of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's net position, the amount that assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources, was $328,278,883 at the close of the most recent fiscal year.

CONDENSED NET POSITION

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 133,435,974	$ 137,387,407	$ 31,286,257	$ 28,205,551	$ 164,722,231	$ 165,592,958
Capital, lease and subscription assets	219,921,720	191,404,639	79,097,780	72,246,253	299,019,500	263,650,892
Total assets	353,357,694	328,792,046	110,384,037	100,451,804	463,741,731	429,243,850
Total deferred outflows of resources	19,318,676	28,958,480	993,968	1,474,363	20,312,644	30,432,843
Noncurrent liabilities	118,524,411	135,032,624	2,257,332	2,882,303	120,781,743	137,914,927
Other liabilities	21,543,412	19,371,705	3,076,304	1,720,816	24,619,716	21,092,521
Total liabilities	140,067,823	154,404,329	5,333,636	4,603,119	145,401,459	159,007,448
Total deferred inflows of resources	10,279,854	8,930,854	94,179	37,968	10,374,033	8,968,822
Net position:						
Net investment in capital assets	166,817,200	150,702,636	76,765,889	71,461,488	243,583,089	222,164,124
Restricted	11,412,361	13,178,193	-	-	11,412,361	13,178,193
Unrestricted	44,099,132	30,534,514	29,184,301	25,823,592	73,283,433	56,358,106
Total net position	$ 222,328,693	$ 194,415,343	$ 105,950,190	$ 97,285,080	$ 328,278,883	$ 291,700,423

The largest portion of the City's combined net position in the amount of $243,583,089 reflects its investments in capital, lease and subscription assets (e.g., land, buildings, equipment, intangible assets, improvements, construction in progress, infrastructure, lease assets, and subscription assets (SBITAs)), less any debt used to acquire those assets that are still outstanding. The City uses these capital and lease assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital and lease assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital and lease assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position in the amount of $11,412,361 represents resources that are subject to external restrictions on how they may be used. The remaining balance of the City's combined unrestricted net position is a surplus of $73,283,433 due to improving market conditions and increased taxes revenue. Unrestricted net position of $44,099,132 exists in the governmental activities net position.

The unrestricted net position of the business-type activities is a positive balance of $29,184,301. The City generally can only use this net position to finance continuing water and sewer operations.

Analysis of the City's Operations – During the current fiscal year, the net position for governmental activities increased $27,913,350 from the prior fiscal year for an ending balance of $222,328,693. This increase is attributable in large part to the development on the City's west side, which increased capital contributions, building permits and sales tax. Additionally, the increase is also attributed to an increase in revenue from property taxes, charges for services and other revenue areas. The net position of the business-type activities increased $8,665,110 from the prior fiscal year for an ending balance of $105,950,190. The City reduced its base water rate by one-half for residential customers for a period of one year. The development on the City's west side included capital contributions of $869,449 for the business-type activities. Transfers to governmental activities increased by $26,556 due to the advance funding of FY 2023-24 capital assets and an increase in transfers for CIP projects.

CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total - Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 19,240,981	$ 27,271,284	$ 32,535,077	$ 32,168,051	$ 51,776,058	$ 59,439,335
Operating grants and contributions	815,576	2,356,770	-	-	815,576	$ 2,356,770
Capital grants and contributions	1,349,652	1,733,548	869,449	683,747	2,219,101	2,417,295
General revenues:						
Taxes:						
Property taxes, levied for general purposes	45,710,705	42,362,924	-	-	45,710,705	42,362,924
Property taxes, levied for debt service	4,451,622	4,799,484	-	-	4,451,622	4,799,484
Sales and use taxes	24,406,225	25,344,604	-	-	24,406,225	25,344,604
Hotel/motel taxes	3,515,051	3,341,512	-	-	3,515,051	3,341,512
Franchise taxes	3,791,350	3,870,277	-	-	3,791,350	3,870,277
Tax increment financing	2,011,454	1,501,804	-	-	2,011,454	1,501,804
Investment income (loss)	7,459,624	5,280,165	1,292,274	792,209	8,751,898	6,072,374
Gain on disposal of capital assets	260,392	849,647	-	-	260,392	849,647
Miscellaneous	174,145	592,775	-	12,251	174,145	605,026
Grants not restricted to a specific purpose	5,078,575	1,745,580	-	-	5,078,575	1,745,580
Total revenues	118,265,352	121,050,374	34,696,800	33,656,258	152,962,152	154,706,632
Expenses:						
General government	21,150,357	27,032,249	-	-	21,150,357	27,032,249
Public safety	38,959,551	36,077,852	-	-	38,959,551	36,077,852
Public works	15,389,261	24,718,438	-	-	15,389,261	24,718,438
Culture and recreation	18,277,084	16,848,177	-	-	18,277,084	16,848,177
Interest on long-term debt	1,540,892	2,873,370	-	-	1,540,892	2,873,370
Unallocated depreciation	178,508	487,635	-	-	178,508	487,635
Water and sewer	-	-	20,780,323	19,540,609	20,780,323	19,540,609
Stormwater utility	-	-	107,716	59,123	107,716	59,123
Total expenses	95,495,653	108,037,721	20,888,039	19,599,732	116,383,692	127,637,453
Increase in net position before transfers	22,769,699	13,012,653	13,808,761	14,056,526	36,578,460	27,069,179
Transfers	5,143,651	5,117,095	(5,143,651)	(5,117,095)	-	-
Change in net position	27,913,350	18,129,748	8,665,110	8,939,431	36,578,460	27,069,179
Net position-beginning	194,415,343	176,285,595	97,285,080	88,345,649	291,700,423	264,631,244
Net position--ending	$ 222,328,693	$ 194,415,343	$ 105,950,190	$ 97,285,080	$ 328,278,883	$ 291,700,423

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $94,743,659. Of this total, $32,796,996 is restricted due to external limitations on its use, such as by debt covenants, legal restrictions, or intention of grantors, donors, or trustees. A total of $5,547,923 is considered nonspendable because it has been used for inventory and prepaid items. A total of $35,841,357 has been assigned meaning there are limitations resulting from its intended use, such as, payment of debt service, other capital assets, and for other purposes. The remaining $20,557,383 is unassigned and can be used for any lawful purpose.

The general fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund is $22,211,703, while total fund balance is $45,780,565. As a measure of the general fund's liquidity, it may be useful to compare the unassigned general fund balance and total general fund balance to total general fund expenditures and other financing sources and uses. Unassigned general fund balance represents 26.95 percent of total general fund expenditures plus other financing sources (uses), while total fund balance represents 55.54 percent of that same amount.

The fund balance of the General fund increased $7,260,010 during the fiscal year. Revenues were $5,596,184 higher than the prior year. Property tax revenue increased $3,365,256 due primarily to higher valuations. Additionally, sales tax revenue decreased $938,379 due to a slight decrease in local spending reflecting national ecnomic volatility and uncertainty. Expenditures were $1,074,553 more than the prior year. This is mostly due to increased capital expenditures for various completed and ongoing capital projects. The Dallas Stars Multi-Sport fund had a significant decrease in fund balance of $15,819,033 due to large capital expenditures in connection with the construction of the Stars Multi-Sport Complex. The Grants fund had a minimal decrease of $402,083 related to ARPA related capital expenditures in excess of grant and other revenue. The addition of the Debt Service fund with fund balance deficit of $(1,443,263) is a decrease of $1,731,066 from prior year. The Debt Service funds utilized their fund balance for a debt payment of $4,145,000 on the City's outstanding debt at fiscal year end. The decrease in the Debt Service Fund is attributable to rental installments received during the year in connection with the Stars Multi-Sport Complex, that will sit in unearned revenue until the tenant moves in.

Proprietary Funds - The City's Water and Sewer fund and Stormwater Utility fund are the enterprise components of the City's proprietary funds. These funds' financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The unrestricted net position of the Water and Sewer fund was $26,855,965 and the Stormwater Utility fund was $1,914,389. The internal service funds (the other component of proprietary funds) report activities that provide supplies and services for the City's various functions. The City uses internal service funds to account for facilities and fleet management and the City's workers' compensation and health insurance self- insurance programs. Because all of these services primarily benefit governmental rather than business-type activities, they have primarily been included with governmental activities in the government-wide financial statements.

General Fund Budgetary Highlights – During the fiscal year ending September 30, 2024, the City Council adopted amendments to the budget. In the general fund, final budgeted revenues increased $4,240,100 and final budgeted expenditures increased $11,231,300 compared to the original budget. The budget for sale of general capital assets, which is an "other financing source", decreased $(125,000) due to City-owned property that was not sold during 2024 as budgeted. Variances with Final Budget are denoted in Exhibit B-5. During the fiscal year ending September 30, 2024, the most notable variances from the final budget include an increase of $694,745 in investment income and an increase of $255,195 in charges for services. Actual expenditures for the General Fund were less than budgeted by $14.6 million. This is due to several factors. Supply chain shortages and increased lead time caused a reduction in the purchase of budgeted capital assets. Also, a large amount of staff vacancies due to retirements and a highly competitive job market resulted in a decrease in personnel costs.

CAPITAL, LEASE AND SUBSCRIPTION ASSETS

The City's investment in capital, lease and subscription assets for its government-wide activities as of September 30, 2024, amounts to $299,019,500 (net of accumulated depreciation and amortization). This investment in capital, lease and subscription assets includes land, buildings, equipment, improvements, infrastructure, intangible assets, construction in progress, and lease and subscription assets.

Major capital asset events during the current fiscal year included the following:

Completed Projects

- Street Revitalization & Improvements - $3,915,760
- Inflow & Infiltration Improvements - $6,500,791
- Cooks Creek Improvements - $3,309,596

Amounts Spent for Ongoing Projects

- Justice Center - $855,391
- Venue 1842 - $2,979,996
- Stars Cener Facility - $16,954,078
- Signature Park - Phase I - $2,021,138
- Signature Park - Phase II - $1,414,091
- Utility Replacement - $3,912,343
- Public Drainage Projects - $2,528,603
- Branch Connection (Senior Center) - $2,202,046

Capital, Lease and Subscription Assets
at Year-End
Net of Accumulated Depreciation and
Amortization

	Governmental Activities		Business-Type Activities		Total - Primary Government	
	2024	2023	2024	2023	2024	2023
Land	$ 39,411,462	$ 39,411,462	$ 603,364	$ 603,364	$ 40,014,826	$ 40,014,826
Buildings	49,637,757	51,251,673	5,301,025	5,568,909	54,938,782	56,820,582
Equipment	10,008,986	8,952,915	1,957,279	1,737,731	11,966,265	10,690,646
Improvements	11,492,204	11,769,879	10,982	12,128	11,503,186	11,782,007
Infrastructure	63,528,899	63,101,239	57,626,614	46,731,985	121,155,513	109,833,224
Intangible assets	484,734	545,969	592,648	333,396	1,077,382	879,365
SBITAs	445,435	457,756	-	-	445,435	457,756
Lease building	-	223,437	-	-	-	223,437
Construction in progress	44,912,243	15,690,309	13,005,868	17,258,740	57,918,111	32,949,049
Total	$ 219,921,720	$ 191,404,639	$ 79,097,780	$ 72,246,253	$ 299,019,500	$ 263,650,892

Additional information on the City's capital, lease, and subscription assets can be found in Note 3.D. Capital, Lease and Subscription Assets.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total bonded debt of $65,751,051. A portion of this debt, approximately 37%, is considered to be self-supporting in that it will be repaid from sources other than property taxes. A portion in the amount of $1,155,000 comprises debt to be repaid from hotel/motel tax revenues and lease payments from the Dallas Stars. An additional $23.2 million comprises debt to be repaid from lease payments related to the Dallas Stars Multi-Sport Complex. All self-supporting debt is backed by the full faith and credit of the government.

Outstanding Debt at Year-End

	Governmental Activities	
	2024	2023
General obligation bonds	$ 65,751,051	$ 70,098,877
Total	$ 65,751,051	$ 70,098,877

The City maintains favorable ratings from bond rating agencies. The ratings are as follows:

	Fitch Ratings	Date Confirmed	Standard & Poor's	Date Confirmed
2011 General obligation refunding bonds, taxable	AAA	N/A	AAA	August 23, 2024
2013 Certificates of obligation	AAA	N/A	AAA	August 23, 2024
2014 General obligation	AAA	August 22, 2024	AAA	August 23, 2024
2016 Certificates of obligation	AAA	August 22, 2024	AAA	August 23, 2024
2018 Certificates of obligation	AAA	August 22, 2024	AAA	August 23, 2024
2018 General obligation	AAA	August 22, 2024	AAA	August 23, 2024
2020 General obligation refunding bonds	AAA	August 22, 2024	AAA	August 23, 2024
2020 General obligation improvement bonds	AAA	August 22, 2024	AAA	August 23, 2024
2022 Certificates of obligation	AAA	August 22, 2024	AAA	August 23, 2024

Additional information on the City's long term-debt can be found in Note 3.G. Long-Term Liabilities.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year 2024-25 budget has been prepared with the objectives of continuing significant investments in capital improvements, maintaining the financial strength of the City, meeting the needs of citizens, implementing the priorities of City Council, and maintaining AAA-rated financial performance. The budget has been developed to be responsive to residents and businesses feeling financial stress and includes a decrease in the property tax rate to $0.5435 providing for a $0.0255 tax decrease to all property taxpayers; building enhancements and renovations, including the relocation of the City's consolidated dispatch center (NTECC); continued investments in the City's revenue stabilization and landfill closure/post-closure funds; continued investments in neighborhoods and neighborhood partnerships; continued utility replacement and inflow and infiltration funding; completion of automated Itron water meter change-outs to provide consumers with better information and alerts about their water usage; and, the development of staffing capacity, equipment, and capital investment to realize high-impact services and projects without draining critical reserves.

Revenues are projected to decrease 2.93% from the prior year amended budget. Property tax and sales tax revenue represent 76.52% of total General Fund revenues. In past years, the City has had the fortune of a strong tax base and fund balances. The Dallas Central Appraisal District provides cities with a certified property value. The certified taxable value (including an estimated minimum value of properties under dispute) is $9,927,205,747, which represents an increase of 6.97% over prior year values. New construction is valued at $139,511,100. The commercial tax base, including real and business personal property, represents a strong 72.46% of taxable value.

The property tax rate of 54.35 cents per $100 valuation is a $0.0255 decrease from the prior year. A property tax rate at this level continues to position Farmers Branch at one of the lowest rates in Dallas County. Sales tax revenues can fluctuate greatly due to national, state, and local economic conditions; however, the 2024-25 budget reflects the leveling-off of sales tax revenues in anticipation of an economic downturn and a slowdown in consumer spending.

Budgeted general fund expenditures are expected to decrease by approximately $6.4 million from the prior year's amended budget. This decrease is primarily due to the advance funding of 2024-25 capital projects in the 2023-24 fiscal year, a reduced allocation for the Parks Master Plan and trail projects, and a reduction in contract services. The 2024-25 budget includes the addition of ten full-time employees, seven of which are public safety positions.

The 2024-25 budget includes the implementation of a nominal monthly fee for refuse collection to be directed towards prepaying landfill closure/post-closure costs.

Enterprise Fund operating expenditures are budgeted at approximately $1.5 million more than the 2023-24 amended budget due primarily to increased rates for water and treated sewer.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Finance Department, Attn: Director of Finance, at 13000 William Dodson Parkway, Farmers Branch, Texas 75234, or call (972) 247-3131.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT A-1

STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash, cash equivalents, and investments	$ 106,828,129	$ 21,279,884	$ 128,108,013
Receivables (net of allowance for uncollectibles)	18,521,719	5,037,277	23,558,996
Inventories and land held for resale	5,537,093	-	5,537,093
Deposits	35,000	-	35,000
Prepaid items	67,616	11,760	79,376
Equity interest in joint venture	2,446,417	4,957,336	7,403,753
Capital, lease and subscription assets			
Nondepreciable	84,323,705	13,609,232	97,932,937
Depreciable, net of accumulated depreciation/amortization	135,598,015	65,488,548	201,086,563
Total assets	353,357,694	110,384,037	463,741,731
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows from pensions	18,705,175	934,865	19,640,040
Deferred outflows from OPEB	597,590	59,103	656,693
Deferred outflows on refunding	15,911	-	15,911
Total deferred outflows	19,318,676	993,968	20,312,644
LIABILITIES			
Accounts payable and other accrued liabilities	11,424,515	2,644,101	14,068,616
Retainage payable	1,542,657	378,843	1,921,500
Accrued interest payable	370,886	-	370,886
Deposits payable	524,318	467,307	991,625
Internal balances	413,947	(413,947)	-
Unearned revenue	7,267,089	-	7,267,089
Noncurrent liabilities			
Due within one year	5,993,876	68,347	6,062,223
Due in more than one year	112,530,535	2,188,985	114,719,520
Total liabilities	140,067,823	5,333,636	145,401,459
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from pensions	1,566,655	78,300	1,644,955
Deferred inflows from OPEB	160,559	15,879	176,438
Deferred inflows from leases and PPPs	8,552,640	-	8,552,640
Total deferred inflows of resources	10,279,854	94,179	10,374,033
Net Position			
Net investment in capital assets	166,817,200	76,765,889	243,583,089
Restricted for:			
Construction of capital assets	6,132,913	-	6,132,913
Promotion of tourism	3,102,142	-	3,102,142
Purpose of grantors/trustees	945,091	-	945,091
Law enforcement	736,651	-	736,651
Fire training	16,048	-	16,048
Economic development	479,516	-	479,516
Unrestricted	44,099,132	29,184,301	73,283,433
Total net position	$ 222,328,693	$ 105,950,190	$ 328,278,883

The accompanying notes are an integral part of the financial statements.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT A-2

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities				
General government	$ 21,150,357	$ 2,381,471	$ 83,887	$ -
Public safety	38,959,551	4,076,158	724,364	-
Public works	15,389,261	8,966,993	-	1,349,652
Culture and recreation	18,277,084	3,816,359	7,325	-
Interest on long-term debt	1,540,892	-	-	-
Unallocated depreciation	178,508	-	-	-
Total governmental activities	95,495,653	19,240,981	815,576	1,349,652
Business-type activities				
Water and sewer	20,780,323	30,752,465	-	869,449
Stormwater utility	107,716	1,782,612	-	-
Total business-type activities	20,888,039	32,535,077	-	869,449
Total primary government	$ 116,383,692	$ 51,776,058	$ 815,576	$ 2,219,101
General revenues and transfers				
Taxes:				
Property taxes - general purpose				
Property taxes - debt service				
Sales and use taxes				
Hotel motel taxes				
Franchise taxes				
Tax increment financing				
Investment income				
Gain on disposal of capital assets				
Miscellaneous				
Grants not restricted to a specific purpose				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

The accompanying notes are an integral part of the financial statements.

Functions/Programs	Net (Expense) Revenue and Changes in Net Position Primary Government Governmental Activities	Business-type Activities	Total
Primary government:			
Governmental activities			
General government	$ (18,684,999)	$ -	$ (18,684,999)
Public safety	(34,159,029)	-	(34,159,029)
Public works	(5,072,616)	-	(5,072,616)
Culture and recreation	(14,453,400)	-	(14,453,400)
Interest on long-term debt	(1,540,892)	-	(1,540,892)
Unallocated depreciation	(178,508)	-	(178,508)
Total governmental activities	(74,089,444)	-	(74,089,444)
Business-type activities			
Water and sewer	-	10,841,591	10,841,591
Stormwater utility	-	1,674,896	1,674,896
Total business-type activities	-	12,516,487	12,516,487
Total primary government	$ (74,089,444)	$ 12,516,487	$ (61,572,957)
	45,710,705	-	45,710,705
	4,451,622	-	4,451,622
	24,406,225	-	24,406,225
	3,515,051	-	3,515,051
	3,791,350	-	3,791,350
	2,011,454	-	2,011,454
	7,459,624	1,292,274	8,751,898
	260,392	-	260,392
	174,145	-	174,145
	5,078,575	-	5,078,575
	5,143,651	(5,143,651)	-
	102,002,794	(3,851,377)	98,151,417
	27,913,350	8,665,110	36,578,460
	194,415,343	97,285,080	291,700,423
	$ 222,328,693	$ 105,950,190	$ 328,278,883

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT B-1

BALANCE SHEET GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General	Grants	Debt Service	Dallas Stars Multi-Sport
ASSETS				
Cash, cash equivalents, and investments	$ 40,658,657	$ 2,283,148	$ 1,725,900	$ 11,072,516
Receivables (net of allowance for uncollectibles)	7,872,727	466,922	131,927	-
Lease receivable	2,591,778	-	-	-
PPP receivable	-	-	5,875,845	-
Accrued interest and other	449,478	-	16,697	161,090
Land held for resale	3,766,320	-	-	-
Prepaid items	62,115	-	-	-
Due from other funds	1,328,735	-	-	-
Total assets	$ 56,729,810	$ 2,750,070	$ 7,750,369	$ 11,233,606
LIABILITIES				
Accounts payable	$ 6,395,323	$ -	$ -	$ 2,617,709
Retainage payable	41,357	-	-	885,495
Due to other funds	-	-	-	-
Deposits payable	27,807	-	200,000	-
Unearned revenue	198,520	2,585,777	2,706,561	-
Total liabilities	6,663,007	2,585,777	2,906,561	3,503,204
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	1,888,742	-	131,927	-
Lease and PPP related	2,397,496	-	6,155,144	-
Total deferred inflows of resources	4,286,238	-	6,287,071	-
FUND BALANCES				
Nonspendable				
Land held for resale	3,766,320	-	-	-
Prepaid items	62,115	-	-	-
Restricted				
Construction of capital assets	-	-	-	7,730,402
Landfill closure/postclosure	-	-	-	-
Promotion of tourism	-	-	-	-
Purpose of grantors, trustees and donors	-	164,293	-	-
Economic development	-	-	-	-
Law enforcement	-	-	-	-
Fire training operations	-	-	-	-
Assigned				
Construction of capital assets	-	-	-	-
Other capital assets	10,010,307	-	-	-
Economic development	5,293,670	-	-	-
Other purposes	4,436,450	-	-	-
Unassigned	22,211,703	-	(1,443,263)	-
Total fund balances	45,780,565	164,293	(1,443,263)	7,730,402
Total liabilities, deferred inflows of resources and fund balances	$ 56,729,810	$ 2,750,070	$ 7,750,369	$ 11,233,606

The accompanying notes are an integral part of the financial statements.

Non-Bond	Nonmajor Governmental Funds	Total Governmental Funds
$ 19,318,741	$ 26,358,949	$ 101,417,911
7,503	566,318	9,045,397
-	-	2,591,778
-	-	5,875,845
120,309	217,786	965,360
-	1,718,800	5,485,120
-	688	62,803
-	-	1,328,735
$ 19,446,553	$ 28,862,541	$ 126,772,949
$ 1,057,868	$ 714,779	$ 10,785,679
333,115	282,690	1,542,657
-	1,328,735	1,328,735
170,906	125,605	524,318
1,776,231	-	7,267,089
3,338,120	2,451,809	21,448,478
7,503	-	2,028,172
-	-	8,552,640
7,503	-	10,580,812
-	1,718,800	5,485,120
-	688	62,803
-	11,910,033	19,640,435
-	7,877,113	7,877,113
-	3,102,142	3,102,142
-	780,798	945,091
-	479,516	479,516
-	736,651	736,651
-	16,048	16,048
16,100,930	-	16,100,930
-	-	10,010,307
-	-	5,293,670
-	-	4,436,450
-	(211,057)	20,557,383
16,100,930	26,410,732	94,743,659
$ 19,446,553	$ 28,862,541	$ 126,772,949

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total fund balances - governmental funds		$ 94,743,659
Amounts reported for governmental activities in the statement of net position are different because:		
Capital, lease and subscription assets used in governmental activities are not financial resources and, therefore, are not reported in the funds (net of internal service fund capital assets of $7,100,394).		212,821,326
Equity investment in joint venture is not a current financial resource. Therefore, it is not reported in the governmental funds.		2,446,417
Deferred outflows of resources are not reported in the governmental funds:		
Deferred outflows on pension (net of internal service fund of $530,281)	18,174,894	
Deferred outflows on OPEB (net of internal service fund of $32,835)	564,755	
Deferred outflows on debt refunding	15,911	18,755,560
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		2,028,172
Internal service funds are used by management to charge the cost of certain activities, such as fleet & facilities management and workers' compensation and health insurance self-insurance programs, to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position (less amount allocated to business-type activities of $413,947).		10,090,536
Long-term liabilities, including bonds payable, (net of internal service fund) are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(63,570,000)	
Issuance premium (to be amortized over life of debt)	(2,181,051)	
Accrued interest payable	(370,886)	
Compensated absences (net of internal service fund of $29,180)	(5,262,184)	
Net pension liability (net of internal service fund of $954,720)	(31,164,263)	
Total OPEB liability (net of internal service fund of $195,554)	(3,419,202)	
Arbitrage liability	(133,864)	
SBITA liability	(361,112)	
Landfill liability	(10,420,437)	(116,882,999)
Deferred inflows of resources are not reported in the governmental funds:		
Deferred inflows from OPEB (net of internal service fund of $8,822)	(151,737)	
Deferred inflows on pension (net of internal service fund of $44,414)	(1,522,241)	(1,673,978)
Net position of governmental activities		$ 222,328,693

The accompanying notes are an integral part of the financial statements.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT B-3

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	General	Grants	Debt Service	Dallas Stars Multi-Sport
REVENUES				
Property taxes	$ 45,587,651	$ -	$ 4,450,880	$ -
Sales and use taxes	24,406,225	-	-	-
Hotel/motel taxes	-	-	-	-
Franchise taxes	3,787,885	-	-	-
Tax increment financing	-	-	-	-
Licenses and permits	2,252,812	-	-	-
Charges for services	11,924,395	-	-	-
Fines and forfeitures	2,061,087	-	-	-
Investment income	3,455,945	-	462,113	1,135,045
Intergovernmental	-	6,495,638	-	-
Miscellaneous	76,826	-	-	-
Total revenues	93,552,826	6,495,638	4,912,993	1,135,045
EXPENDITURES				
Current				
General government	18,967,250	-	-	-
Public safety	36,291,073	39,876	-	-
Public works	10,673,908	85,514	-	-
Culture and recreation	13,880,029	2,499	-	-
Debt service				
Principal retirement	389,947	-	4,145,000	-
Interest and fiscal agent charges	21,997	-	2,499,059	-
Capital outlay	4,133,686	6,769,832	-	16,954,078
Total expenditures	84,357,890	6,897,721	6,644,059	16,954,078
Excess (Deficiency) of revenues over (under) expenditures	9,194,936	(402,083)	(1,731,066)	(15,819,033)
OTHER FINANCING SOURCES (USES)				
Transfers in	5,593,900	-	-	-
Transfers out	(8,107,463)	-	-	-
Sale of general capital assets	224,984	-	-	-
Insurance recoveries	108,193	-	-	-
Issuance of SBITAs	245,460	-	-	-
Total other financing sources (uses)	(1,934,926)	-	-	-
Net change in fund balances	7,260,010	(402,083)	(1,731,066)	(15,819,033)
Fund balances - beginning	38,520,555	566,376	287,803	23,549,435
Fund balances - ending	$ 45,780,565	$ 164,293	$ (1,443,263)	$ 7,730,402

The accompanying notes are an integral part of the financial statements.

Non-Bond	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 50,038,531
-	-	24,406,225
-	3,515,051	3,515,051
-	41,067	3,828,952
-	2,011,454	2,011,454
-	-	2,252,812
-	137,305	12,061,700
-	201,092	2,262,179
847,651	1,558,870	7,459,624
878,769	300,469	7,674,876
55,000	196,191	328,017
1,781,420	7,961,499	115,839,421
132,656	1,339,022	20,438,928
-	542,800	36,873,749
-	162,139	10,921,561
-	2,323,569	16,206,097
-	-	4,534,947
-	-	2,521,056
5,839,053	3,726,059	37,422,708
5,971,709	8,093,589	128,919,046
(4,190,289)	(132,090)	(13,079,625)
6,389,500	3,560,378	15,543,778
-	(2,685,215)	(10,792,678)
-	35,408	260,392
-	-	108,193
-	-	245,460
6,389,500	910,571	5,365,145
2,199,211	778,481	(7,714,480)
13,901,719	25,632,251	102,458,139
$ 16,100,930	$ 26,410,732	$ 94,743,659

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Net change in fund balances - total governmental funds		$ (7,714,480)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		28,908,833
The net effect of the various miscellaneous transactions involving capital assets (i.e., sales, transfers and donations) is to decrease net position.		(1,012)
The change in equity interest in joint venture increases net position.		515,687
Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the decrease during the current year in unavailable revenue that is earned but not collected.		247,007
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		4,360,878
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in government funds.		
Increase in compensated absences	(33,122)	
Increase in landfill liability	(687,297)	(720,419)
Changes to net pension and total OPEB liabilities and related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		1,792,033
Current year change in accrued interest payable does not require the use of current financial resources; but they are reported as expenses in the governmental activities.		908,773
Internal service funds are used by management to charge the costs of fleet management, workers' compensation, and health claims, to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. (net of ($15,751) allocated to business-type activities).		(383,950)
Change in net position of governmental activities		$ 27,913,350

The accompanying notes are an integral part of the financial statements.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT B-5

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GENERAL FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	GAAP Basis	Final Budget
REVENUES				
Property taxes	$ 45,024,200	$ 45,434,700	$ 45,587,651	$ 152,951
Sales and use taxes	23,080,000	23,598,700	24,406,225	807,525
Franchise taxes	3,779,000	3,770,700	3,787,885	17,185
Licenses and permits	1,899,700	2,134,200	2,252,812	118,612
Charges for services	10,930,600	11,669,200	11,924,395	255,195
Fines and forfeitures	1,115,000	1,919,900	2,061,087	141,187
Investment income	1,227,000	2,761,200	3,455,945	694,745
Miscellaneous	62,000	69,000	76,826	7,826
Total revenues	87,117,500	91,357,600	93,552,826	2,195,226
EXPENDITURES				
General government				
General government	8,142,800	10,573,807	4,728,355	5,845,452
City administration	1,314,300	1,358,223	1,318,313	39,910
Communications	746,400	754,316	985,833	(231,517)
Economic development	1,348,700	3,395,656	2,317,709	1,077,947
Human resources	1,278,400	1,303,244	1,224,095	79,149
Finance	3,139,100	3,078,084	2,899,719	178,365
Innovation & technology	5,013,900	5,247,777	3,794,219	1,453,558
Community services	2,177,500	1,889,897	1,699,007	190,890
Public safety				
Police	20,514,200	21,281,926	19,511,176	1,770,750
Fire	17,032,700	20,381,952	16,779,897	3,602,055
Principal retirement	109,900	636,015	389,947	246,068
Public works				
Interest and fiscal agent charges	-	-	21,997	(21,997)
Public works	6,035,200	6,214,959	5,292,030	922,929
Sustainability & public health	5,932,100	6,255,738	5,381,878	873,860
Culture and recreation				
Parks and recreation	12,790,100	14,235,302	11,961,675	2,273,627
Library	2,126,400	2,326,104	1,918,354	407,750
Capital outlay	-	-	4,133,686	(4,133,686)
Total expenditures	87,701,700	98,933,000	84,357,890	14,575,110
Excess (deficiency) of revenues over (under) expenditures	(584,200)	(7,575,400)	9,194,936	16,770,336
OTHER FINANCING SOURCES (USES)				
Transfers in	9,185,300	15,120,300	5,593,900	(9,526,400)
Transfers out	(10,405,400)	(17,459,200)	(8,107,463)	9,351,737
Sale of general capital assets	100,000	225,000	224,984	(16)
Insurance recoveries	-	99,500	108,193	8,693
Issuance of SBITAs	-	-	245,460	245,460
Total other financing sources (uses)	(1,120,100)	(2,014,400)	(1,934,926)	79,474
Net change in fund balance	(1,704,300)	(9,589,800)	7,260,010	16,849,810
Fund balances- beginning	38,520,555	38,520,555	38,520,555	-
Fund balances - ending	$ 36,816,255	$ 28,930,755	$ 45,780,565	$ 16,849,810

The accompanying notes are an integral part of the financial statements.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT B-6

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GRANTS FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts GAAP Basis	Variance with Final Budget
REVENUES				
Intergovernmental	$ 8,449,792	$ 9,024,387	$ 6,495,638	$ (2,528,749)
Total revenues	8,449,792	9,024,387	6,495,638	(2,528,749)
EXPENDITURES				
Public safety	310,000	29,955	39,876	(9,921)
Public works	96,600	104,400	85,514	18,886
Culture and recreation	-	2,500	2,499	1
Capital outlay	-	-	6,769,832	(6,769,832)
Total expenditures	406,600	136,855	6,897,721	(6,760,866)
Excess (deficiency) of revenues over (under) expenditures	8,043,192	8,887,532	(402,083)	(9,289,615)
OTHER FINANCING SOURCES (USES)				
Transfers in	72,800	5,560	-	(5,560)
Transfers out	(8,115,992)	(8,893,092)	-	8,893,092
Total other financing sources (uses)	(8,043,192)	(8,887,532)	-	8,887,532
Net change in fund balances	-	-	(402,083)	(402,083)
Fund balances - beginning	566,376	566,376	566,376	-
Fund balances - ending	$ 566,376	$ 566,376	$ 164,293	$ (402,083)

The accompanying notes are an integral part of the financial statements.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT C-1

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-Type Activities			Governmental Activties
		Nonmajor Fund		
	Water and Sewer	Stormwater Utility	Total	Internal Service Funds
ASSETS				
Current assets				
Cash, cash equivalents, and investments	$ 19,510,901	$ 1,768,983	$ 21,279,884	$ 5,410,218
Receivables (net of allowance for uncollectibles)	4,714,761	130,645	4,845,406	43,339
Accrued interest and other	171,571	20,300	191,871	-
Inventories	-	-	-	51,973
Prepaid items	11,760	-	11,760	4,813
Deposits	-	-	-	35,000
Total current assets	24,408,993	1,919,928	26,328,921	5,545,343
Noncurrent assets				
Equity interest in joint venture	4,957,336	-	4,957,336	-
Capital and lease assets				
Nondepreciable	9,247,608	4,361,624	13,609,232	8,170
Depreciable, net of accumulated depreciation/amortization	60,522,183	4,966,365	65,488,548	7,092,224
Total noncurrent assets	74,727,127	9,327,989	84,055,116	7,100,394
Total assets	99,136,120	11,247,917	110,384,037	12,645,737
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows from pension	934,865	-	934,865	530,281
Deferred outflows from OPEB	59,103	-	59,103	32,835
Total deferred outflows of resources	993,968	-	993,968	563,116
LIABILITIES				
Current Liabilities				
Accounts payable and other accrued liabilities	2,127,455	516,646	2,644,101	638,836
Compensated absences	24,403	-	24,403	29,180
Total OPEB liability	43,944	-	43,944	24,414
Claims payable	-	-	-	722,831
Retainage payable	260,523	118,320	378,843	-
Deposits payable	467,307	-	467,307	-
Total current liabilities	2,923,632	634,966	3,558,598	1,415,261
Noncurrent liabilities				
Compensated absences	200,367	-	200,367	-
Claims payable	-	-	-	110,013
Net pension liability	1,675,058	-	1,675,058	954,720
Total OPEB liability	313,560	-	313,560	171,140
Total noncurrent liabilities	2,188,985	-	2,188,985	1,235,873
Total liabilities	5,112,617	634,966	5,747,583	2,651,134
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows from pension	78,300	-	78,300	44,414
Deferred inflows from OPEB	15,879	-	15,879	8,822
Total deferred inflows of resources	94,179	-	94,179	53,236
NET POSITION				
Net investment in capital assets	68,067,327	8,698,562	76,765,889	7,100,394
Unrestricted	26,855,965	1,914,389	28,770,354	3,404,089
Total net position	$ 94,923,292	$ 10,612,951	$ 105,536,243	$ 10,504,483
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time			413,947	
Net position of business-type activities			$ 105,950,190	

The accompanying notes are an integral part of the financial statements.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT C-2

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities			Governmental Activities
	Water and Sewer	Nonmajor Fund Stormwater Utility	Total	Internal Service Funds
Operating Revenues				
Charges for services	$ 30,752,465	$ 1,782,612	$ 32,535,077	$ 5,431,142
Contributions and miscellaneous	-	-	-	5,134,596
Total operating revenues	30,752,465	1,782,612	32,535,077	10,565,738
Operating Expenses				
Personal services	2,527,873	-	2,527,873	894,882
Materials and supplies	288,771	-	288,771	2,454,441
Maintenance and utilities	2,092,424	84,248	2,176,672	2,346,897
Purchase of water	7,060,234	-	7,060,234	-
Sewage treatment	5,526,428	-	5,526,428	-
Insurance claims and expenses	-	-	-	5,409,837
Depreciation	3,284,593	23,468	3,308,061	236,182
Total operating expenses	20,780,323	107,716	20,888,039	11,342,239
Operating income (loss)	9,972,142	1,674,896	11,647,038	(776,501)
Nonoperating Revenues				
Investment income	1,149,241	143,033	1,292,274	-
Total nonoperating revenues	1,149,241	143,033	1,292,274	-
Income before contributions and transfers	11,121,383	1,817,929	12,939,312	(776,501)
Capital contributions	869,449	-	869,449	-
Transfers in	-	-	-	376,800
Transfers out	(5,035,100)	(92,800)	(5,127,900)	-
Change in net position	6,955,732	1,725,129	8,680,861	(399,701)
Net position - beginning	87,967,560	8,887,822	96,855,382	10,904,184
Net position - ending	$ 94,923,292	$ 10,612,951	$ 105,536,243	$ 10,504,483

Reconciliation to government-wide statement of net position:	
Change in net position	8,680,861
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds	(15,751)
Change in net position of business-type activities	$ 8,665,110

The accompanying notes are an integral part of the financial statements.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT C-3

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities			Governmental Activities
	Water and Sewer	Stormwater Utility	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 30,712,390	$ 1,705,351	$ 32,417,741	$ -
Receipts from interfund services provided	-	-	-	10,571,248
Payments to suppliers	(15,112,551)	-	(15,112,551)	(4,637,024)
Payments to employees	(2,596,110)	-	(2,596,110)	(961,731)
Payments for loss claims	-	-	-	(5,421,589)
Net cash provided by (used for) operating activities	13,003,729	1,705,351	14,709,080	(449,096)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to other funds	(5,035,100)	(92,800)	(5,127,900)	-
Transfers from other funds	-	-	-	376,800
Net cash provided by (used for) noncapital financing activities	(5,035,100)	(92,800)	(5,127,900)	376,800
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(5,556,453)	(2,186,560)	(7,743,013)	(2,500)
Net cash used for capital assets and related financing activities	(5,556,453)	(2,186,560)	(7,743,013)	(2,500)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	(944,829)	-	(944,829)	-
Sale of investments	-	636,712	636,712	
Investment income	1,170,181	152,563	1,322,744	-
Net cash provided by investing activities	225,352	789,275	1,014,627	-
Net increase (decrease) in cash and cash equivalents	2,637,528	215,266	2,852,794	(74,796)
Cash and cash equialents - beginning of year	509,492	70,063	579,555	5,485,014
Cash and cash equivalents - end of year	$ 3,147,020	$ 285,329	$ 3,432,349	$ 5,410,218
Investments	16,363,881	1,483,654	17,847,535	-
Cash, cash equivalents, and investments - end of year	$ 19,510,901	$ 1,768,983	$ 21,279,884	$ 5,410,218
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributed capital assets	$ 869,449	$ -	869,449	$ -
Loss on the joint venture	(69,273)	-	(69,273)	-
Purchase of capital assets on accounts and retainage payable	1,702,464	629,427	2,331,891	$ -

The accompanying notes are an integral part of the financial statements.

(continued)

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities			Governmental Activities
	Water and Sewer	Stormwater Utility	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating Income (Loss)	9,972,142	1,674,896	11,647,038	(776,501)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	3,284,593	23,468	3,308,061	236,182
(Increase)/Decrease in				
Receivables	54,120	(3,823)	50,297	5,510
Inventories			-	(23,584)
Prepaid items	(562)		(562)	187
Deferred outflows of resources - pension	481,728		481,728	273,248
Deferred outflows of resources - OPEB	(1,333)		(1,333)	(740)
Increase/(Decrease) in				
Accounts payable and accrued liabilities	(124,004)	10,810	(113,194)	148,850
Claims payable				33,428
Deposits payable	(94,195)		(94,195)	-
Net Pension liability	(632,209)		(632,209)	(358,605)
Total OPEB liability	(8,158)		(8,158)	(4,532)
Deferred inflows of resources - pension	69,501		69,501	39,423
Deferred inflows of resources - OPEB	(13,290)		(13,290)	(7,383)
Compensated absences	15,396		15,396	(14,579)
Net Cash Provided by (Used for) Operating Activities	$ 13,003,729	$ 1,705,351	$ 14,709,080	$ (449,096)

The accompanying notes are an integral part of the financial statements. (concluded)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Farmers Branch, Texas (the "City") have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") which are applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the City are described below.

A. Reporting Entity

The City is a municipal corporation governed by an elected mayor and a five-member council. The City was incorporated in 1946 under the Constitution of the State of Texas (Home Rule Amendment). As required by GAAP, these financial statements present the City and its component units, entities for which the City is considered financially accountable. A component unit is included in the City's reporting entity if it is both fiscally dependent on the City (the primary government) and there is a potential for the component unit to provide specific financial benefits to or impose specific financial burdens on the primary government. The primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government. The City's blended component units and joint ventures, which all have a September 30 year-end, are as follows:

Blended Component Units

The City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- The organization is legally separate (can sue and be sued in their own name);
- The City appoints a voting majority of the organization's board;
- The City is able to impose its will on the organization;
- The organization has the potential to impose a financial benefit/burden on the City; or
- There is a fiscal dependency by the organization on the City

Tax Increment Finance and Tax Increment Reinvestment Zones (TIFs/TIRZ)

Tax Increment Finance District Number Two ("TIF No. 2"), Tax Increment Reinvestment Zone Number Three ("TIRZ No. 3"), and Tax Increment Finance District Number Four ("TIF No. 4/I-35 Zone") were created pursuant to the Texas Tax Increment Financing Act, Tax Code Chapter 311, as amended. The purpose of the TIF No. 2 is to promote development in the Old Farmers Branch area. The purpose of the TIRZ No. 3 is to dedicate certain tax increment revenues to the Mercer Crossing Development and apply these revenues to reduce the public improvement district assessments. Management of the primary government has operational responsibility for both of these tax increment financing districts. The purpose of TIF No. 4/I-35 Zone is to dedicate certain tax increment revenues to the Interstate Highway 35W and apply these revenues for improvements to the commercial corridor on the east and west of the Interstate Highway 35W and Valwood Park. Management of the primary government has operational responsibility for these tax increment financing districts. TIF No. 2 and TIF No. 4 are reported as capital projects funds and are included as blended component units because they provide a financing mechanism to build streets and other infrastructure. The TIRZ No. 3 is reported as a special revenue fund because the revenues are restricted to reduce the public improvement district assessments, and the fund is included as a blended component unit.

Public Improvement Districts (PIDs)

The City has one Public Improvement District. Farmers Branch's PID program allows for groups of property owners to request special property assessments for the provisions of services above typical City levels. The PID may select its own budget and categories based on its goals and needs, subject to Chapter 372 of the Texas Local Government Code. This may consist of eligible supplemental activities such as marketing the area, providing additional security, landscaping and lighting, street cleaning, and cultural and recreational improvements. The City's sole PID is operated by a designated management organization.

Separate financial statements for the sole PID are not prepared.

Mercer Crossing PID - created in February 2017 to support development along Valley View lane in Farmers Branch. On June 20, 2017, the Public Finance Authority of Wisconsin issued tax-exempt revenue bonds for the Mercer Crossing PID. Assessments on property within the district are pledged as reimbursement for this debt, which is not an obligation of the City. The PID's governing body is substantially the same as City's and the operations of the PID benefit the City almost exclusively.

Farmers Branch Local Government Corporation

The Farmers Branch Local Government Corporation ("FBLGC") was organized on behalf of the City to accomplish any governmental purpose of the City and to promote the common good and general welfare of the City. This includes the furtherance of the promotion, development, encouragement, and maintenance of employment, commerce, economic development and public facility development in the City, and currently to develop oil, natural gas and other mineral interests on behalf of the City. Management of the primary government has operational responsibility for the FBLGC. The FBLGC is authorized to issue bonds, notes or other obligations after approval by the City Council. The FBLGC has been included as a special revenue fund because it is organized as a not-for-profit corporation in which the City of Farmers Branch is the sole corporate member. The FBLGC is fiscally dependent (the City must approve any issuance of debt) and the purpose of the corporation is to provide a benefit to the City. Separate financial statements for the blended component units are not available.

Joint Ventures

The North Texas Emergency Communications Center, Inc. (NTECC) is a joint venture between the Town of Addison, City of Carrollton, City of Coppell, and City of Farmers Branch (the "Cities") formed to establish and operate a joint public safety dispatch center. The affairs of the NTECC are managed by a four-person board of directors representing each of the four participating Cities.

The Cities are responsible for funding capital and operating costs of the NTECC in the proportions stated in the inter-local agreement. The City financed its portion of construction funds through the issuance and sale of certificates of obligation. The City of Farmers Branch's equity interest in the NTECC is $2,446,417 at September 30, 2024 and is reported as equity interest in joint venture in the governmental activities on the government-wide Statement of Net Position. Audited financial statements for the NTECC can be obtained from the Finance Department, Attn: Director of Finance, at 13000 William Dodson Parkway, Farmers Branch, Texas 75234, or call (972) 247-3131.

Additionally, the Cities have also entered into inter-local agreements to jointly procure a public safety radio system and a fire training facility. These agreements did not include the formation of a separate legal joint venture entity. The City has financed its portion of construction funds through the issuance and sale of general obligation bonds. The Cities are responsible for funding a portion of the radio system and fire training facility in the proportions stated in the inter-local agreements. The City of Farmers Branch's portion of the radio system is capitalized as infrastructure and equipment and the portion of the fire training facility is capitalized as buildings in the governmental activities on the government-wide Statement of Net Position.

The North Dallas County Water Supply Corporation ("NDCWSC") is a joint venture between the City and the Town of Addison (the "Town") to design, construct, operate, and maintain a joint sanitary sewer interceptor and conventional sewer lines. The NDCWSC, a public instrumentality and nonprofit water supply corporation, was created for that purpose. Upon dissolution of the NDCWSC, the City and Town will share the net position in the proportions stated in an inter-local agreement. The affairs of the NDCWSC are managed by a six-person board of directors appointed by the governing bodies of the City and the Town.

The City and the Town are each obligated to fund construction of the sanitary sewer interceptor in the proportions stated in the inter-local agreement. The City financed its portion of construction funds through the issuance and sale of assessment revenue bonds and a transfer from previously issued sewer bonds and none of the bonds are still outstanding. The City's net investment and its share of the operating results of the NDCWSC are reported in the City's water and sewer fund. The City's equity interest in the NDCWSC was $4,957,336 at September 30, 2024. Complete financial statements for the NDCWSC can be obtained from the Finance Department, Attn: Director of Finance, at 13000 William Dodson Parkway, Farmers Branch, Texas 75234, or call (972) 247-3131.

B. Basis of Presentation

While separate government-wide financial statements (based on the City as a whole) and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds.

The fund financial statements provide information about the City's funds, including its blended component units. The emphasis of fund financial statements is on major governmental and enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General Fund* is the primary operating fund of the City. It accounts for all financial resources of the City except those required to be accounted for in another fund.

The *Grants Fund* is used to account for monies received from other governmental agencies that have restricted legal requirements.

The *Debt Service Fund* is used to account for the accumulation of financial resources for the payment of principal, interest, and related costs on general long-term debt paid primarily from taxes levied by the City.

The *Dallas Stars Multi-Sport Fund* is used to account for the acquisition and construction of the City's Dallas Stars Multi-Sport Complex.

The *Non-Bond Capital Projects Fund* is used to account for the acquisition and construction of major capital facilities.

The City reports the following major proprietary fund:

The *Water and Sewer Fund* is used to account for water and sewer service operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided the periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The City reports the following internal service funds:

The *Internal Service Funds* are used to account for facilities and fleet management services and the City's workers' compensation and health insurance self-insurance programs for the departments of the City on a cost reimbursement basis.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column. Exceptions to this general rule are payments-in-lieu-of-taxes (PILOT) where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and sewer functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus refers to the type of resources being measured such as current financial resources or economic resources. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, including those on lease liabilities, and expenditures related to pension, other post-employment benefits, compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. The issuance of long-term debt and financing through leases is reported as an other financing source.

Property, franchise, sales and hotel occupancy taxes, and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of special assessments receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 1 year of year-end). All other revenue items are considered measurable and available only when the government receives cash.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB for the OPEB Retiree Health Plan, OPEB expenses have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms.

D. Budgetary Information

1) Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, grants fund, special revenue funds, and debt service fund. The capital projects funds are appropriated on a project-length basis and often span a period of more than one year. The Farmers Branch Local Government Corporation does not have a legally adopted budget, as the activity during the year is at the discretion of the Management of the primary government.

The appropriated budget is prepared by fund, department and function. The City Manager may transfer unencumbered appropriations within a department and between departments within the same fund. City Council approval is necessary for transfers of unencumbered appropriations between funds. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Special revenue funds are budgeted at the function level. Appropriations, except remaining project appropriations and encumbrances, lapse at the end of the fiscal year.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1) Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2) Investments

Investments are recorded at fair value (based on quoted market prices), except for investments with maturity of one year or less from date of purchase and investments in TexPool, which are stated at amortized cost.

3) Receivables

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable in excess of 90 days comprise the trade accounts receivable allowance for uncollectible accounts.

4) Inventories, Land Held For Resale and Prepaid Items

Inventories are stated at cost for the internal service funds and at the lower of cost or market value (assessed taxable value) for the inventory of land held for resale in the general fund and nonmajor governmental funds. Inventories are recorded as assets when purchased and charged to operations when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5) Capital, Lease and Subscription Assets

Capital, lease and subscription assets include land, buildings, equipment, improvements, infrastructure (e.g., roads, bridges, sidewalks, and similar items), intangible assets (e.g., software, websites), and lease and subscription assets. Capital assets purchased, acquired or developed, are carried at historical cost or estimated historical cost if historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession agreement are recorded at acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The City defines capital, lease, and subscription assets as having a useful life longer than one year and an initial, individual cost that exceeds the capitalization threshold for their class. The capitalization threshold for the infrastructure class is $100,000. The capitalization threshold for lease and subscription asset classes is $25,000. The capitalization threshold for all other asset classes is $5,000. Other costs incurred for repairs and maintenance are expensed. Insurance recoveries of $108,193 were received for the year ended September 30, 2024. They are included as an “other financing source” in the governmental funds.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated/amortized on the straight-line basis over the following estimated useful lives or lease term, whichever is shorter.

Capital asset classes	Lives	
Buildings	30 - 50	years
Equipment	5 - 30	years
Improvements	20	years
Intangible assets-software/websites	5	years
Infrastructure	15 - 63	years

6) Lease Receivable

The City is a lessor for noncancellable leases of tower spaces. The City recognizes a lease receivable and a deferred inflow of resources. At the commencement of a lease, the City initially measurers the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

7) Lease Liability

The City is a lessee for a noncancellable lease of a building and recognizes a related lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The City recognizes lease liabilities with an initial, individual value of $25,000 or more. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

8) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as outflows of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. The deferred outflows of resources are reported in the government-wide and proprietary funds statements of net position. The first item is the deferred outflows of resources from pension. For purposes of measuring the net pension liability, deferred outflows of resources related to pension have been determined on the same basis as they are reported by TMRS. The second item is the deferred outflows of resources from OPEB. The third item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunded debt results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources from pensions, OPEB, leases, PPPs and deferred gain on refunding.

Finally, the City has one item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental funds report unavailable revenues from the following sources:

	General Fund	Debt Service Fund	Non-Bond Fund	Total
Property taxes	$ 1,033,300	$ 131,927	$ -	$ 1,165,227
Ambulance	214,212			214,212
Franchise taxes - electric	641,045			641,045
Charges for services - culture and recreation	185			185
Special assessments			7,503	7,503
Total	$ 1,888,742	$ 131,927	$ 7,503	$ 2,028,172

9) Unearned Revenue

The General, Non-Bond and Grant Funds report unearned revenue in connection with grant funding that has been received, but not yet earned. These funds will be recognized as revenue as the City completes related projects for which these funds were provided. At September 30, 2024, the amount reported for unearned revenue totaled $4,560,528, as these proceeds received were not utilized by the end of the current fiscal year. Additionally, the Debt Service Fund reports unearned revenue in connection with advance rental installments that have been received. However, the Deb Service Fund will only recognize it as revenue upon the tenant moving into the facility. The amount reported in unearned revenue for this activity totaled $2,706,561 as the tenant had not moved into the premises before fiscal year end.

10) Net Position Flow Assumptions

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital, lease and subscription assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow of assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

11) Fund Balance Policies and Flow Assumptions

Governmental fund balances classified as nonspendable are balances that cannot be spent because they are either not in a spendable form or are legally and/or contractually required to stay intact. Fund balances classified as restricted are balances constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution, which are considered equally restrictive for the purpose of committing fund balance. The City Council must take the same level of action to remove or change the constraint. Assigned fund balances are constrained by intent to use for a specific purpose but are neither restricted nor committed. Assignments are made by City management based on Council direction.

As previously mentioned, sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). When fund balance resources are available for a specific purpose in more than one classification, it is the City's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. In the general fund, the City strives to maintain a target range of unassigned fund balance to be used for unanticipated emergencies with a low end of 15% and a high end of 20% of the actual GAAP basis expenditures and other financing sources and uses.

As of September 30, 2024, the Debt Service Fund, a major governmental fund, and the Branch Connection Bond Fund, a nonmajor governmental fund, had deficit fund balances of $1,443,263 and $211,057, respectively.

12) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. Revenues and Expenditures/Expenses

1) Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

2) Property Taxes

The City's property taxes are levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established at 100% of estimated market value. Property taxes attach as an enforceable lien on property as of January 1. Taxes are due by January 31 following the October 1 levy date and are considered delinquent after January 31 of each year.

3) Compensated Absences

The City's employees earn vacation leave (up to a maximum of 192 hours per year for 40 hours per week employees and 288 hours per year for 56 hours per week employees) based on years employed. Upon retirement or termination, payment of accumulated vacation may not exceed that which can be accumulated within two years for employees hired prior to January 1, 2011, and within one and a half years for employees hired on or after January 1, 2011. Unused sick leave, based on days employed, may be accumulated up to certain limits. Upon retirement or termination, employees hired before October 1, 1992 will be paid a maximum of 720 hours of sick pay for 40 hours per week employees or 1,080 hours for 56 hours per week employees. Upon retirement or termination, employees hired between October 1, 1992 and December 31, 2010 with five years or less of service will be paid a maximum of 120 hours of sick pay and with more than five years of service will be paid a maximum of 240 hours of sick pay for 40 hours per week employees or with five years or less of service will be paid a maximum of 180 hours of sick pay and with more than five years of service will be paid a maximum of 360 hours of sick pay for 56 hours per week employees. Employees hired on or after January 1, 2011 receive no payout for unused sick leave upon retirement or termination.

4) Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the water and sewer fund and the government’s internal service funds are charges to customers for sales and services. Operating expenses for water and sewer funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." The details of this $212,821,326 difference are as follows:

Land and rights of way	$	39,403,292
Construction in progress		44,912,243
Improvements		21,079,444
Less: Accumulated depreciation-improvements		(11,240,282)
Buildings and lease buildings		70,668,447
Less: Accumulated depreciation/amortization-buildings and lease buildings		(26,296,141)
Equipment		42,567,313
Less: Accumulated depreciation-equipment		(32,732,058)
Infrastructure		154,707,114
Less: Accumulated depreciation-infrastructure		(91,178,215)
SBITAs		908,151
Less: Accumulated amortization-SBITAs		(462,716)
Intangible assets		3,309,425
Less: Accumulated depreciation-intangible assets		(2,824,691)
Net adjustment to increase fund balance - total government funds to arrive at net position -	$	212,821,326

Another element of that reconciliation explains that "internal service funds are used by management to charge the costs of certain activities, such as fleet management and workers' compensation and medical self-insurance programs, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position." The details of this $10,090,536 (net of internal service fund activity) difference are as follows:

Net position of the internal service funds	$	10,504,483
Less: Internal receivable representing charges to the business-type activities - current year		(413,947)
Net adjustment to increase fund balance - total government funds to arrive at net position - governmental activities	$	10,090,536

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period." The details of this $28,908,833 difference are as follows:

Capital outlay	$	37,422,708
Depreciation and amortization expense	$	(8,513,875)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	28,908,833

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In addition, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this $4,360,878 difference are as follows:

Debt issued:		
SBITAs	$	(245,460)
Total proceeds		(245,460)
Debt repayments		
To bondholders/debtors		4,145,000
To lessors/vendors		389,947
Total debt repayments	$	4,534,947
Amortization of long-term debt		
Deferred offering amounts	$	2,429
Arbitrage expense		(133,864)
Bond premiums		202,826
Total amortization of long-term debt	$	71,391
Net adjustment to increase net changes in fund balance - total governmental funds to arrive at changes in net position of governmental activities	$	4,360,878

Another element of that reconciliation states that "changes to net pension and OPEB liabilities and related deferred outflows and inflows of resources do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The details of this $1,792,033 difference are as follows:

OPEB income	$	(217,687)
Pension income		(1,574,346)
Net adjustment to decrease total governmental funds to arrive at changes in net position of governmental activities	$	(1,792,033)

Another element of that reconciliation states that "internal service funds are used by management to charge the costs of fleet management, workers' compensation, and health claims, to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities." The details of this $(383,950) difference are as follows:

Change in net position of the internal service funds	$	(399,701)
Plus: charges to business-type activities		15,751
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	(383,950)

C. Explanation of Certain Differences Between the Proprietary Fund Statement of Net Position and the Government-Wide Statement of Net Position

The proprietary fund statement of net position includes reconciliation between *net position – total enterprise funds* and *net position of business-type activities* as reported in the government-wide statement of net position. The description of the only item of that reconciliation is "adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time." The details of the $413,947 difference are as follows:

Internal payable representing charges over cost to business-type activities - prior year	$	429,698
Internal payable representing charges over cost to business-type activities - current year		(15,751)
Net adjustment to increase net position - total enterprise funds to arrive at changes in net position of business-type activities	$	413,947

3. DETAILED NOTES ON ALL FUNDS

A. Cash Deposits with Financial Institutions

At year-end, the carrying amount of the City's demand deposits, was $(2,084,633) and the bank balance was $1,029,913. The bank balance was completely covered by federal depository insurance or by collateral held by the City's agent in the City's name. The negative carrying amount is offset by the City's cash equivalents included in investments below.

B. Investments

The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code (the "Act"), provide for the creation of public funds investment pools, such as TexPool, through which political subdivisions and other entities may invest public funds. TexPool uses amortized cost to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. TexPool has a credit rating of AAA from Standard & Poor's Financial Services. Local government investment pools in this rating category meet the highest standards for credit quality, conservative investment policies, and safety of principal. TexPool invests in a high-quality portfolio of debt securities investments legally permissible for municipalities and school districts in the state.

To maximize investment opportunities, all funds (excluding the debt service fund and the internal service funds) participate in a pooling of cash and investment income. Each fund may liquidate its equity in the pool on demand.

State statutes, City bond ordinances, and City resolutions authorize the City's investments. The City is authorized to invest in U.S. Government obligations and its agencies or instrumentalities, direct obligations of Texas and its agencies and instrumentalities, obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent rating, insured or collateralized certificates of deposit, fully collateralized repurchase agreements, and government pools.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in active markets for identical securities in active markets. Level 2 inputs are valued using observable inputs other than those in Level 1. The City has no Level 3 inputs that are valued using significant unobservable inputs. As of September 30, 2024 , the City had the following investments:

Investments by Fair Value Level	September 30, 2024	Fair Value - Level 1	Fair Value - Level 2	Weighted Average Maturity (in days)
Municipal Obligations	$ 41,084,339	$ 26,639,250	$ 14,445,089	195
Total Investments by Fair Value Level	41,084,339	26,639,250	14,445,089	
Investments Measured at Amortized Cost				
Certificates of Deposit	60,260,854			136
TexPool	28,847,453			40
Total investments at Amortized Cost	89,108,307			
Total Investments at Carrying Amount	$ 130,192,646			
Portfolio Weighted Average Maturity				124

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 24 months (730 days).

Credit Risk. The City's investment policy is to apply the "prudent investor" standard: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The City's investments were rated as follows:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments

Municipal Obligations	Aa1/AAA	4%
Municipal Obligations	Aaa/AAA	3%
Municipal Obligations	Aa3/AA	22%
Municipal Obligations	SP-1	2%
Tex Pool	AAAm	69%

*Aaa/AAA is the highest credit quality issued by Moody 's Investor's Services, and by Standard & Poor's, respectively.

Concentration of Credit Risk. The City places no limit on the amount the City may invest in any one issuer. However, the City's investment policy calls for portfolio diversification by avoiding over-concentration in a specific maturity sector or specific instruments. The City's portfolio is 31% invested in Municipal Obligations as of September 30, 2024. The remaining 69% of the City's investments, which includes certificates of deposits, are invested in an external government investment pool.

C. Receivables (net of allowance for uncollectibles)

Receivables, as of year-end, for the City's individual major fund and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Grants	Debt Service	Dallas Stars Multi-Sport	Non-Bond	Nonmajor Governmental	Internal Service	Water and Sewer	Nonmajor Stormwater Utility
Receivables:									
Property tax	$ 1,105,782	$ -	$ 131,927	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	3,818,722	-	-	-	7,503	325,135	-		
Accounts	4,785,042	466,922	-	-	-	9,834	43,339	1,920,849	53,011
Unbilled accounts	-	-	-	-	-	-	-	2,880,205	80,869
Assessments	-	-	-	-	-	231,349	-	-	-
PPPs	-	-	5,875,845	-	-	-	-	-	-
Leases	2,591,778	-	-	-	-	-	-	-	-
Accrued interest	449,478	-	16,697	161,090	120,309	217,786	-	171,571	20,300
Gross receivables	12,750,802	466,922	6,024,469	161,090	127,812	784,104	43,339	4,972,625	154,180
Less: Allowance for uncollectibles	(1,836,819)	-	-	-	-	-	-	(86,293)	(3,235)
Net total receivables	$ 10,913,983	$ 466,922	$ 6,024,469	$ 161,090	$ 127,812	$ 784,104	$ 43,339	$ 4,886,332	$ 150,945

Lease Receivable

The City leases tower space to various third parties, the terms of which expire between 2029 and 2036. The City recognized approximately $149,000 in lease revenue and approximately $149,000 in interest revenue during the current fiscal year related to the lease. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of September 30, 2024, the balance of the deferred inflow of resources was $2,397,496 .

As of September 30, 2024 the City's receivable for all lease payments was $2,591,778.

PPP Receivable

In fiscal year 2022, the City entered into an agreement with DSE Multisport, LP (DSE), under which DSE will operate, maintain, and retain fees from a multisport complex for 25 years, with one 5-year renewal option succeeding the term of 25 years. The City receives advanced rental installments until construction of the complex is complete and DSE has moved into the premises. The City continues to report the rink as a capital asset with a value of $5,832,551.

The City recognized approximately $256,000 in miscellaneous revenue and approximately $206,000 in interest revenue during the current fiscal year related to the partnership. The City utilized a discount rate of 3.79% in the determination of the receivable for installment payments. The City has a deferred inflow of resources associated with this partnership that will be recognized as revenue over the partnership term. As of September 30, 2024, the balance of the deferred inflow of resources was $6,155,144 .

As of September 30, 2024 the City's receivable for all partnership payments was $5,875,845.

D. Capital, Lease and Subscription Assets

Capital, lease and subscription asset activity for the year ended September 30, 2024 was as follows:

	Primary Government				
	Beginning Balance	Additions	Sales/Disposals	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land and rights of way	$ 39,411,462	$ -	$ -	$ -	$ 39,411,462
Construction in progress	15,690,309	33,137,694	-	(3,915,760)	44,912,243
Total capital assets, not being depreciated	55,101,771	33,137,694	-	(3,915,760)	84,323,705
Capital, lease and subscription assets, being depreciated					
Improvements	22,710,576	435,006	-	-	23,145,582
Buildings	76,744,524	-	-	-	76,744,524
Equipment	40,746,379	3,479,289	(1,087,122)	-	43,138,546
Infrastructure	149,619,625	1,294,653	(122,924)	3,915,760	154,707,114
Intangible assets - software/websites	3,431,362	127,758	-	-	3,559,120
SBITAs	662,691	245,460	-	-	908,151
Lease building	372,395	-	(372,395)	-	-
Total capital, lease and subscription assets, being depreciated/amortized	294,287,552	5,582,166	(1,582,441)	3,915,760	302,203,037
Less accumulated depreciation/amortization for:					
Improvements	(10,940,697)	(783,633)	-	70,952	(11,653,378)
Buildings	(25,492,851)	(1,613,916)	-	-	(27,106,767)
Equipment	(31,793,464)	(2,667,598)	1,068,602	262,900	(33,129,560)
Infrastructure	(86,518,386)	(3,167,951)	122,924	(1,614,802)	(91,178,215)
Intangible assets - software/websites	(2,885,393)	(192,800)	-	3,807	(3,074,386)
SBITAs	(204,935)	(257,781)	-	-	(462,716)
Lease building	(148,958)	(66,378)	215,336	-	-
Total accumulated depreciation/amortization	(157,984,684)	(8,750,057)	1,406,862	(1,277,143)	(166,605,022)
Total capital, lease and subscription assets, being depreciated/amortized , net	136,302,868	(3,167,891)	(175,579)	2,638,617	135,598,015
Governmental activities capital, lease and subscription assets, net	$ 191,404,639	$ 29,969,803	$ (175,579)	$ (1,277,143)	$ 219,921,720
Business-type activities:					
Capital assets, not being depreciated:					
Land and rights of way	$ 603,364	$ -	$ -	$ -	$ 603,364
Construction in progress	17,258,740	8,951,113	-	(13,203,985)	13,005,868
Total capital assets, not being depreciated	17,862,104	8,951,113	-	(13,203,985)	13,609,232
Capital assets, being depreciated:					
Improvements	46,126	-	-	-	46,126
Buildings	14,693,323	-	-	-	14,693,323
Equipment	7,148,061	319,870	-	219,703	7,687,634
Infrastructure	107,630,400	869,449	(240,067)	12,576,482	120,836,264
Intangible assets - software/websites	1,119,635	19,156	-	407,800	1,546,591
Total capital assets, being depreciated	130,637,545	1,208,475	(240,067)	13,203,985	144,809,938
Less accumulated depreciation for:					
Improvements	(33,998)	(1,146)	-	-	(35,144)
Buildings	(9,124,414)	(267,884)	-	-	(9,392,298)
Equipment	(5,410,330)	(320,025)	-	-	(5,730,355)
Infrastructure	(60,898,415)	(2,551,302)	240,067	-	(63,209,650)
Intangible assets - software/websites	(786,239)	(167,704)	-	-	(953,943)
Total accumulated depreciation	(76,253,396)	(3,308,061)	240,067	-	(79,321,390)
Total capital assets, being depreciated, net	54,384,149	(2,099,586)	-	13,203,985	65,488,548
Business-type activities capital assets, net	$ 72,246,253	$ 6,851,527	$ -	$ -	$ 79,097,780

The preceding schedule includes internal service assets totaling $7,100,394 in the governmental activities. Internal service fund depreciation expense is allocated to the primary government based on each function or program's usage of its services.

Depreciation expense (includes amortization expense of intangible assets) was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government	$	969,718
Public safety		1,903,754
Public works, which includes the depreciation of general infrastructure assets		3,638,403
Culture and recreation		2,059,674
Unallocated		178,508
Total depreciation/amortization expense - governmental activities	$	8,750,057

Business-type activities:		
Water and sewer	$	3,284,593
Stormwater utility		23,468
Total depreciation expense business-type activities	$	3,308,061

Commitments and Contingent Liabilities

Encumbrances are commitments related to unperformed contracts for goods or services (i.e. purchase orders). At year-end the amount of encumbrances expected to be honored upon performance by the vendor in the next year are as follows:

	Encumbrances	
General fund for general purposes	$	1,263,029
General fund for capital assets		3,932,626
Grants fund		19,328
Water and sewer fund		69,673
Water and sewer fund for capital assets		711,199
Nonmajor Stormwater utility fund		5,439
Nonmajor funds		814,449
Total	$	6,815,743

The City has entered into several construction contracts during the fiscal year, which include street improvements, replacement of water mains, and the construction of municipal facilities. As of September 30, 2024, the City had outstanding construction contracts totaling $23,440,830 that will be financed from operating funds.

	Construction Commitments	
Water and sewer	$	7,789,189
Non-bond capital projects fund		4,419,345
Dallas Stars multi-sport fund		5,645,260
Nonmajor capital projects funds		5,587,036
Total	$	23,440,830

E. Interfund Receivables, Payables and Transfers

Government interfund transfers during the year ended September 30, 2024 were as follows:

	TRANSFERS IN				
TRANSFERS OUT	General Fund	Non-Bond Fund	Nonmajor Governmental Funds	Internal Service Fund	Total
General Fund	$ -	$ 4,756,000	$ 2,974,663	$ 376,800	$ 8,107,463
Stormwater Utility Fund	92,800	-	-	-	92,800
Nonmajor governmental funds	466,000	1,633,500	585,715	-	2,685,215
Water & Sewer Fund	5,035,100	-	-	-	5,035,100
Total	$ 5,593,900	$ 6,389,500	$ 3,560,378	$ 376,800	$ 15,920,578

Eliminations

Interfund transfers are reported in the governmental and proprietary fund financial statements. In the entity-wide statements, interfund transfers are eliminated within the governmental activities column and business-type column, as appropriate.

Purpose of Transfers

Transfers are used to (1) move unrestricted revenues to finance various programs in accordance with budgetary authorizations, (2) for the general fund to the capital projects funds for various construction projects including the Event Center, and (3) for the water and sewer fund to the general fund for a payment-in-lieu-of-taxes.

Interfund balances at September 30, 2024 consisted of the following receivables and payables:

	Due from Other Funds	
Due to Other Funds	General Fund	Purpose
Hotel/Motel Fund - Special Revenue	$ 1,328,735	Event Center - Construction
	1,328,735	

All of the above balances are expected to be repaid within one year.

F. Tax Abatements / Tax Increment Financing Zones / Public Improvement Districts

Tax Abatements – The City of Farmers Branch enters into tax abatement agreements with local residents and businesses under Chapter 380 of the Texas Local Government Code. Under this chapter, the City may provide incentives consisting of loans and grants of city funds, use of city personnel, facilities and services with or without charge, for the promotion of economic development.

The City has three categories of economic development agreements:

- Residential Demolition/Rebuild Incentive Program – This program provides property tax abatements to encourage redevelopment of existing housing stock in the City. The program may include a demolition incentive grant up to $30,000 and annual incentive grants (between three and seven years) equal to the difference between the City property taxes assessed and paid for the new improvements (new residential structure excluding the land) for a given tax year and the City property taxes for the residential structure prior to demolition (excluding the land) for the tax year in which the structure was demolished (the "Base Year"). The amounts and number of years the incentive will be paid vary depending on the value of the residential structure and the program in place at the effective date of the agreement. Abatements are obtained through application prior to beginning the improvements and commence when the City issues a certificate of occupancy or certificate of completion for the new residence. The property owner commits to demolition of the existing residence and the construction of a new residence within 24 months of the effective date of the agreement. If construction is not completed as agreed, the City has the option to terminate the agreement and seek reimbursement of the demolition cost reimbursement incentive. No other commitments were made by the City as part of those agreements. For the fiscal year ended September 30, 2024, the City abated property taxes totaling $176,487 for 37 properties under this program.

- Economic Development Agreements – The purpose of these agreements is for the promotion of the expansion of existing businesses within the City and the recruitment of new business enterprises to the City. These agreements include repayment provisions should the recipient fail to fully meet its commitments. The names of businesses receiving sales tax rebates are not disclosed, as they are made confidential by Texas Tax Code Section 151.027.

    - A ten-year agreement for a 50 percent property tax rebate and sixty quarterly sales tax grants of 50% of the sales tax paid for years 1 to 7 and 25% of the sales tax paid for years 8 to 15 to a security services company to relocate its headquarters and call center. The incentive period began July 2015. The company must maintain a minimum level of taxable sales and continuous occupancy of the premises during the terms of the agreement. The abatements amounted to $343,233 during the fiscal year ended September 30, 2024.

    - A fifteen-year agreement for a tangible personal property tax reduction of 100 percent for years one through five, a 50 percent reduction for years six through eight, and a 25 percent reduction for years nine and ten plus a cash grant of $75,000 to offset costs for relocation to the Leased Premises for Tenet Healthcare Corporation ("THC"). The company must maintain a nine hundred (900) employment positions within the City and maintain the lease. The agreement was executed in June 2019. During the fiscal year ended September 30, 2024, THC received the fourth annual installment of the property tax abatement in the amount of $339,628.

    - An agreement to rebate 30% of tangible personal property tax for ten years for BSN Sports, LLC to maintain tangible personal property at the leased premises of at least $18,000,000 as of January 1 of each calendar year. The agreement was executed in June 2017. The abatements amounted to $9,160 for the fiscal year ended September 30, 2024.

    - A ten-year agreement for semi-annual economic development grants equal to 50 percent of use taxes collected by the City to a home building company. The company must purchase building materials from Farmers Branch vendors to be eligible for the grants. The effective date of the agreement was January 2018. The abatement amounted to $5,020 for the fiscal year ended September 30, 2024.

- Tax Increment Financing –The City has three active reinvestment zones (“TIF No. 2”, "TIF No. 4" and “TIRZ No. 3”) for the purpose of tax increment financing of infrastructure. In accordance with State law pertaining to tax increment reinvestment zones, the costs of public infrastructure improvements in the zone are repaid by the contribution of future tax revenues by each taxing unit that levies taxes against the property. The City contributed 100% of the incremental tax revenues associated with the growth of the tax base in TIF No. 2 to a special fund to pay costs of infrastructure in the zones. There are $145,328,683 of infrastructure improvements in the TIF No. 2 project plan, including streets, water and sewer projects and the TIF No. 2 increment for tax year 2023 is $36,332,170 TIF No. 2 was scheduled to expire December 31, 2020; however, the City extended its participation on November 17, 2020 from January 1, 2021 until December 31, 2031 at a participation rate of 25%.

For tax years 2017, 2018, and 2019, the City contributed 1% of the incremental tax revenues generated from the City's ad valorem tax associated with the growth of the tax base in TIRZ No. 3 to a special revenue fund to reduce the public improvement district assessments within the zone. For years 2020 through and including 2052, the City will contribute 40% of the incremental tax revenue generated by the City's ad valorem tax associated with the growth of the tax base in TIRZ No. 3 to a special revenue fund to reduce the public improvement district assessment associated with the zone. There are $729,995,944 of infrastructure improvements in the TIRZ No. 3 project plan and the TIRZ No. 3 increment for tax year 2023 is $291,998,377. The TIRZ No. 3 is scheduled to terminate in tax year 2052.

For tax year 2023, the City contributed 100% of the incremental tax revenues generated from the City's ad valorem tax associated with the growth of the tax base in TIF No. 4 to a capital project fund for improvements to the commercial corridor on the east and west of the Interstate Highway 35W and Valwood Park. For years 2021 through and including, the City will contribute 100% of the incremental tax revenue generated by the City's ad valorem tax associated with the growth of the tax base in TIF No. 4 to a capital projects fund for improvements within the district. The TIF No. 4 increment for tax year 2023 is $98,113,062. The TIF No. 4 is scheduled to terminate in tax year 2046.

The City Council, upon recommendation of the Council-appointed TIF Board for each district, can enter into economic grant agreements with developers to utilize TIF funds. Unlike contractual obligations, TIF grants are subject to availability of TIF funds, and any balance owed to a developer upon termination of the TIF district will no longer be considered an obligation of the City. The City made $2,011,454 in property tax rebates from general TIF resources.

Public Improvement District – Under Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "PID Act",) the City authorized the creation of the Mercer Crossing Public Improvement District (the "PID") to impose annual assessments on property owners within the PID (the "Assessments") to pay for certain public improvements (the "Public Improvements"). The PID is composed of approximately 397.6 acres that are being developed as a master-planned mixed-use development known as "Mercer Crossing". The development is expected to include, among other things, single-family homes, active adult senior condominiums, two hotels, office, retail, commercial, and an amphitheater. Pursuant to a master development agreement and a reimbursement agreement (together, the "Agreements"), the City has agreed to reimburse the Developer for a portion of the costs of the Public Improvements within the PID in a total amount not to exceed $43,247,845, plus accrued interest, from assessment revenues. Under the terms of the Agreements, the Assessments may be offset in each year by tax increment revenues generated with Tax Increment District, which includes the PID property. The only obligation of the City under Agreements is the collection and enforcement of the Assessments and the payment of annual Assessment revenues to the Mercer Crossing developer pursuant to the terms of the Agreements. The City has not issued debt to fund its obligations under the Agreements.

G. Long-Term Liabilities

General Obligation Bonds – The City of Farmers Branch issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. Currently, the City has no outstanding general obligation bonds issued for business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds are generally issued as serial bonds with equal amounts of principal maturing each year with maturities that range from five to 20 years. The City is required to compute, at the time taxes are levied, the rate of tax required to provide a fund to pay interest and principal at maturity. The City is in compliance with this requirement.

Direct Placement Bonds – The City of Farmers Branch issues direct placement general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Direct placement general obligation bonds have been issued for governmental activities.

Bonds payable at September 30, 2024 are comprised of the following individual issues:

Bonds Payable:	Sale Date	Original Borrowing	Interest Rates to Maturity (%)	Final Maturity	Outstanding Sept. 30, 2024
Bonds - Public Offerings					
General obligation refunding bonds, taxable	2011	7,035,000	0.44 - 4.00	2025	$ 1,155,000
Certificates of obligation	2013	6,500,000	2.50 - 4.50	2032	3,460,000
General obligation bonds	2014	13,920,000	2.00 - 5.00	2034	6,420,000
Certificates of obligation	2016	2,545,000	2.00 - 3.00	2036	1,670,000
Certificates of obligation	2018	10,515,000	3.00 - 5.00	2038	12,815,000
General obligation bonds	2018	13,540,000	3.25 - 4.00	2038	4,655,000
General obligation bonds	2020	12,305,000	2.00 - 4.00	2039	10,180,000
Certificates of obligation	2022	23,810,000	3.36 - 4.84	2047	23,215,000
Total Bonds Payable		$ 90,170,000			$ 63,570,000

Legal Debt Margin – The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt.

Calculation of Legal Debt Margin – September 30, 2024

Adjusted Tax Base Valuation	$ 9,280,116,565
Constitutional Limit	2.5% of assessed valuation
Maximum Constitutional Revenue Available	$ 232,002,914
Tax Rate to Achieve Maximum Tax Revenue	$ 2.5000 per $100 of valuation
Adopted Tax Rate for Fiscal Year 2023-24	$ 0.56900 per $100 of valuation
Available Unused Constitutional Maximum Tax Rate	$ 1.9310 per $100 of valuation

Landfill Closure and Post-closure Costs – The City owns a sanitary landfill site located in the City of Lewisville, Texas. On October 1, 2008, the City renewed a previous ten-year contract with Allied Waste North America, Inc. ("Allied Waste") for the operation and management of the landfill. The current agreement continues until all permitted air space has been filled with waste material. All payments for operations & management are variable.

The landfill operates on a "cell" basis and state and federal laws require the City to close the landfill once its capacity is reached and to monitor and maintain the site for 30 subsequent years. The site capacity of 53.2 million cubic yards will be reached in approximately 30 years. The City recognizes a portion of the final closure and post-closure care liability in each operating period even though actual final payout will not occur until the landfill is completely closed.

The amount recognized as a liability is based on the landfill capacity used as of the balance sheet date. As of September 30, 2024, the City had incurred a liability of $10,420,437, which represents the amount of costs estimated to date based on 48.69% of landfill capacity used to date. The remaining estimated liability for these costs is $10,980,568, which will be recognized as the remaining capacity is used. Additionally, during the term of the agreement, the City is required to maintain a special revenue fund for future landfill closure and post-closure costs and has restricted the fund balance of $7,877,113 for these costs. The estimated cost of closure and post-closure care are subject to changes such as the effects of inflation, revision of laws, and other variables.

Changes in long-term liabilities - Changes in the City's long-term liabilities for the year ended September 30, 2024, are as follows:

	Balance at Beginning of Year	Increase	Decrease	Balance at End of Year	Due Within One Year
Governmental Activities					
Bonds payable					
Bonds - public offerings	$ 67,715,000	$ -	$ (4,145,000)	$ 63,570,000	$ 3,875,000
Unamortized amounts: For issuance premiums	2,383,877	-	(202,826)	2,181,051	-
Total bonds payable - public offerings	70,098,877	-	(4,347,826)	65,751,051	3,875,000
Compensated absences	5,272,821	4,350,019	(4,331,476)	5,291,364	665,955
Net pension liability	44,768,451	-	(12,649,468)	32,118,983	-
Arbitrage liability	-	133,864	-	133,864	-
Total OPEB liability	3,697,262	-	(82,506)	3,614,756	444,326
Claims	799,416	4,786,342	(4,752,914)	832,844	722,831
SBITAs	430,957	245,460	(315,305)	361,112	285,764
Leases	231,700	-	(231,700)	-	-
Landfill closure and postclosure care costs	9,733,140	687,297	-	10,420,437	-
Governmental activities long-term debt	$ 135,032,624	$ 10,202,982	$ (26,711,195)	$ 118,524,411	$ 5,993,876
Business-type activities					
Compensated absences	$ 209,374	$ 184,783	$ (169,387)	$ 224,770	$ 24,403
Net pension liability	2,307,267	-	(632,209)	1,675,058	-
Total OPEB liability	365,662	-	(8,158)	357,504	43,944
Business-type activities long-term debt	$ 2,882,303	$ 184,783	$ (809,754)	$ 2,257,332	$ 68,347
Total	$ 137,914,927	$ 10,387,765	$ (27,520,949)	$ 120,781,743	$ 6,062,223

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the totals for governmental activities. At year-end, internal service fund liabilities for claims payable of $832,844, compensated absences of $29,180, total OPEB liability of $195,554, and net pension liability of $954,720 are included in the above amounts. In addition, for the governmental activities, claims payable, compensated absences, total OPEB liability and net pension liability are generally liquidated by the general fund. The landfill closure and post-closure care costs will be liquidated from the landfill closure/post-closure fund.

The debt service requirements at September 30, 2024 are as follows:

	Governmental Activities		
Year Ended	Bonds Payable		
September 30	Principal	Interest	Total
2025	$ 3,875,000	$ 2,168,477	$ 6,043,477
2026	4,025,000	2,180,918	6,205,918
2027	3,560,000	2,042,339	5,602,339
2028	3,685,000	1,942,620	5,627,620
2029	3,825,000	1,775,525	5,600,525
2030-2034	19,355,000	6,805,956	26,160,956
2035-2039	14,355,000	3,785,150	18,140,150
2040-2044	6,310,000	1,893,105	8,203,105
2045-2049	4,580,000	339,316	4,919,316
Total	$ 63,570,000	$ 22,933,406	$ 86,503,406

SBITA Liability - The City has an agreement as subscriber for various software, the terms of which expire in 2026. During the year ended September 30, 2024, the City did not recognize any subscription expense for variable expenses not previously included in the measurement of the SBITA liability.

The following is a schedule by year of payments under the subscription as of September 30, 2024:

Year Ending September 30,	Principal	Interest	Total
2025	$ 285,764	$ 8,779	$ 294,543
2026	75,348	2,524	77,872
	$ 361,112	$ 11,303	$ 372,415

H. Risk Management and Other Information

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and, injuries to employees. A Schedule of Insurance Policies in Force showing the type of coverage, deductible, and liability limit is shown in Table 18.

Workers' Compensation Insurance - The City has established the workers' compensation fund (an internal service fund) to account for workers' compensation uninsured risks of loss. Under this program, the workers' compensation fund provides coverage for up to a maximum of $350,000 for each workers' compensation occurrence claim.

The costs associated with this self-insurance plan are funded by charges to the City's other funds. Liabilities include provisions for claims reported and claims incurred, but not reported. The provision for reported claims is computed by the City's third-party administrator based upon standard actuarial principles. The provision for claims incurred, but not yet reported, is estimated based on the City's experience and an actuarial study that was performed during fiscal year 2024. State law provides that the City is relieved of liability if notice of employee injury has not been received within 30 days of the date on which the injury occurs.

At September 30, 2024, the amount of workers' compensation liabilities was $268,324. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liability for unpaid claims includes allocated loss adjustment expenses (ALAE), which are primarily legal expenses. Changes in the balance of claims liability during the past two years are as follows:

Fiscal Year	Beginning Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Ending Fiscal Year Liability
2022-2023	$ 287,925	$ 386,120	$(382,814)	$ 291,231
2023-2024	$ 291,231	$ 280,305	$(303,212)	$ 268,324

At September 30, 2024, workers' compensation fund cash and investments of $1,450,663 were held for funding future obligations. The City continues to carry commercial insurance for other risks of loss (except medical insurance as described in the following section). Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Group Medical Insurance – The health claims fund (an internal service fund) was established to account for the provision of group medical insurance coverage for employees and their dependents. The City's medical insurance program is a "self-insured" plan funded by both the City and participating employees. The City makes a predetermined contribution to the plan each month for a portion of medical group insurance coverage. This is done on a bi-monthly basis for qualifying City employees and their dependents. Employees contribute through payroll deductions for the balance of their medical coverage.

The City's medical insurance program is made up of two contracts, a specific stop loss contract and an aggregate stop loss contract. The specific stop loss contract has a specific deductible of $150,000 per individual and an $80,000 aggregating specific corridor with an unlimited lifetime maximum benefit on eligible expenses. The aggregate stop loss contract has a minimum attachment point of $5,342,990, which may increase based on enrollment. The aggregate contract will pay up to $1,000,000 on total claims over the attachment point.

All claims are reviewed and processed by an independent insurance company. The insurance company pays claims based on the health plan and the City reimburses the insurance company for each claim paid. The insurance company charges the City a fee for this service.

At September 30, 2024, the amount of estimated claims payable was $564,520. Changes in the reported liability since October 1, 2022 resulted from the following:

Fiscal Year	Beginning Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Ending Fiscal Year Liability
2022-2023	$ 551,849	$ 3,841,593	$(3,885,257)	$ 508,185
2023-2024	$ 508,185	$ 4,506,037	$(4,449,702)	$ 564,520

Claims payable include provisions for claims reported and claims incurred but not reported. The provision for reported claims and for claims incurred but not reported is determined by an independent consultant.

Deferred Compensation Plan - The City offers all employees a deferred compensation plan through Empower Retirement in accordance with Internal Revenue Code Section 457. The 457 Plan provides employees an option to supplement their TMRS retirement benefits by making pre-tax contributions to their plan. All assets are held in trust for the exclusive benefit of participants and their beneficiaries. Therefore, it is not reported in the financial statements of the City. Benefit provisions are contained in the plan document and were established and can be amended by the action of City Council. Employees may enroll in the plan and/or change their contribution amounts at any time. The City does not have any financial contribution obligations regarding this 457 Plan and did not make any contributions during the year ended September 30, 2024.

1) Commitments and Contingencies

The City has several long-term agreements with significant commitments as follows:

a. City of Dallas Water Purchase Agreement - The City purchases treated water from the City of Dallas under a 30-year contract negotiated in August 2010. The City makes payments to the City of Dallas at a rate of $.4480 per 1,000 gallons plus $312,607 per year for each million gallons per day rate of flow (maximum delivery rate). The City paid $7,060,234 to the City of Dallas for the fiscal year ended September 30, 2024.

b. Trinity River Authority (the "Authority") Sewage Disposal Agreement - On November 29, 1973, the City, along with other cities, entered into a 50-year contract with the Authority, whereby the Authority will provide and operate a regional wastewater treatment plant and wastewater conveyance facility constructed with the Authority's funds. At the conclusion of the 50 years (in 2023), the contract shall remain in effect until any remaining TRA bonds have been repaid in full. In return, the cities agreed to pay for such services based on a usage formula that will provide reimbursements for operations, maintenance, and debt service payments to the Authority. The cities are jointly and severally responsible for the above payments. Each city's proportionate share is determined annually according to its contributing flow to the system. The City paid $5,526,428 to the Authority for the fiscal year ended September 30, 2024.

The City is involved in various legal actions in which claims of varying amounts are being asserted against the City. The City follows the practice of providing for any uninsured claims when a loss is probable and a loss becomes fixed or determinable in amount. In the opinion of City management, these actions will not result in a significant impact of the City's financial position. Events could occur that would change this estimate materially in the near term.

The City participates in several federal grant programs that are governed by various rules and regulations of the grantor agencies. Amounts received or receivable from grant agencies are subject to audit and adjustment by the grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, which may be disallowed by the grantor, cannot be determined at this time, although the City expects such amounts, if any, to be immaterial. For the year ended September 30, 2024, grant expenditures did exceed the threshold for the single audit requirement; therefore, a single audit will be performed regarding the City's federal funding.

2) Postemployment Benefits Other Than Pensions (OPEB)

Plan Description - The City of Farmers Branch administers a single-employer defined benefit OPEB plan, the "Retiree Health Plan". The plan provides OPEB through the City's group health insurance plan, which covers both active and retired members (see funding policy below). Contributions are established through City policy as approved by City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Retiree Health Plan does not issue a publicly available financial report.

The eligibility requirements are:

- Must be a current, full-time employee hired prior to January 1, 2007 and are not eligible for Medicare;
- Must have worked for the City for at least ten years, which needs to be concurrent;
- Must meet the eligibility requirements of the Texas Municipal Retirement System (TMRS) and retire from the City; and,
- Must be on the City's health plan at the time of retirement, and for dependents to be carried on the health plan, they must be on the plan at that time.

Benefits Provided - The City contributes $625 per month toward the cost of a health reimbursement account (HRA) administered through HSA Bank, plus an annual lump sum funding of $500 to the HRA, and the full premium for life insurance coverage of $12,000. The City's contribution for future health insurance premiums is capped at a maximum of $625 per month. As an alternative, to the HRA, retirees may be provided an age-adjusted high deductible health insurance plan with no contribution from the City.

Plan members receiving benefits contribute the full group premium for dental or vision plans selected. They also pay the full premium for age-adjusted life insurance coverage if they choose coverage after they turn 65.

Retirees are required to enroll in Medicare, if they are eligible, at age 65. For those who are not eligible for Medicare, the City will pay the monthly premium for Medicare Part A for any retirees who reach age 65 and must provide documentation from Social Security on Medicare ineligibility.

Employees Covered by Benefit Terms – At the December 31, 2023 measurement date, the following employees were covered by the benefit terms:

Retirees and beneficiaries	66
Inactive, nonretired members	-
Active employees	99
Total	165

The City's retiree healthcare benefit is only provided to employees who were hired prior to January 1, 2007 and are not eligible for Medicare.

Total OPEB Liability

The City's total OPEB liability of $3,972,260 was measured as of December 31, 2023, and was determined by an actuarial valuation as of December 31, 2022.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods including in the measurement, unless otherwise specified:

Actuarial Assumptions and Methods

Valuation Date:	12/31/2022
Methods and Assumptions:	
Actuatrial cost method	Individual Entry-Age Normal
Discount rate	3.77% as of December 31, 2023
Inflation	2.50%
Salary increases	3.60% to 11.85%, including inflation
Demographic assumption	Based on the experience study covering the four-year period ending December 31, 2022 as conducted for the Texas Municipal Retirement System
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements.
Health care cost trends	N/A. The City's subsidy is a fixed dollar contribution to a retiree health care account
Participation rates	Medical: 85% of retirees who are eligible for a subsidy; Life Insurance: 100% of eligible retirees
Other Information:	
Notes	The discount rate changed from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023. Additionally, the demographic and salary increase assumptions were updated to reflect the 2023 TMRS experience study.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 10/1/2023	$ 4,062,924
Changes for the year:	
Service cost	110,736
Interest on the total OPEB liability	156,152
Difference between expected and actual experience of the total OPEB liability	58,138
Changes of assumptions	109,686
Benefit payments	(525,376)
Net changes	(90,664)
Balance at 9/30/2024	$ 3,972,260

There were no changes in benefit terms during the year.

Changes of assumptions reflect a change in the discount rate from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023. The discount rate was based on the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Sensitivity of the Total OPEB Liability to the Discount Rate Assumption – Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the City's total OPEB liability, calculated using a discount rate of 3.77%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease 2.77%	Discount Rate 3.77%	1% Decrease 4.77%
Total OPEB Liability	$ 4,105,286	$ 3,972,260	$ 3,833,013

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates Assumption – Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the City's total liability, calculated using the assumed trend rates as well as what the City's total OPEB liability would be if it were calculated using trend rates that are one percent lower or one percent higher:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	$ 3,972,260	$ 3,972,260	$ 3,972,260

Note: The City's retiree medical benefit is a set dollar amount that is not impacted by future medical trends.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2024, the City of Farmers Branch recognized OPEB expense of $312,659. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Benefits paid subsequent to the measurement date	$ 394,032	$ -
Changes in assumptions	133,343	158,392
Difference betweeen expected and actual experience	129,318	18,046
Total	$ 656,693	$ 176,438

The amount of $394,032 reported as deferred outflows of resources related to OPEB resulting from benefitpaid subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30:		
2025	$	29,310
2026		7,763
2027		39,558
2028		9,592
Total	$	86,223

Allocation of OPEB Items

The City allocates OPEB items between governmental activities and business-type activities on the basis of employee payroll funding. For the governmental activities, the total OPEB liability is liquidated by the general fund and fleet and facilities management fund. For the business-type activities, the total OPEB liability is liquidated by the water and sewer fund.

3) Defined Benefit Pension Plan

Plan Description

The City of Farmers Branch participates as one of over 900 cities in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G (TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of the System with a six- member, governor appointed, Board of Trustees, however TMRS does not receive any funding from the State of Texas. TMRS issues a publicly available annual comprehensive financial report that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS. The City does not participate in the Social Security system.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Employees covered by benefit terms:

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	433
Inactive employees entitled to but not yet receiving benefits	410
Active employees	422
Total	1,265

Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, and the City matching ratios are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Farmers Branch were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City of Farmers Branch were 19.15% and 20.19% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2024 were $9,378,099 and were $1,571,561 more than the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.65% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for femals. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees for Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality impovements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition a 3.5% and 3.0% minimum mortality rate is applied for males and females, respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most-recen Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage.

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	6.70%
Core Fixed Income	6.0%	4.70%
Non-Core Fixed Income	20.0%	8.00%
Other Public and Private Markets	12.0%	8.00%
Real Estate	12.0%	7.60%
Hedge Funds	5.0%	6.40%
Private Equity	10.0%	11.60%
Total	100.0%	

Discount rate:

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the net pension liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 10/1/2023	$ 317,571,555	$ 270,495,837	$ 47,075,718
Changes for the year:			
Service cost	6,591,462		6,591,462
Interest	21,069,719		21,069,719
Change in assumptions	(2,339,029)		(2,339,029)
Difference between expected and actual experience	3,558,757		3,558,757
Contributions - employer		8,534,416	(8,534,416)
Contributions - employee		2,561,923	(2,561,923)
Net investment income		31,266,806	(31,266,806)
Benefit payments, including refunds of employee contributions	(17,446,591)	(17,446,591)	-
Administrative expense		(199,167)	199,167
Other changes		(1,392)	1,392
Net changes	$ 11,434,318	$ 24,715,995	$ (13,281,677)
Balance at 9/30/2024	$ 329,005,873	$ 295,211,832	$ 33,794,041

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Single Rate 6.75%	1% Decrease 7.75%
City's net pension liability (asset)	$ 76,732,429	$ 33,794,041	$(1,688,663)

Pension plan fiduciary net position:

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained at www.tmrs.com.

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions:

For the year ended September 30, 2024, the City recognized pension expense of $7,676,838.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 7,664,607	$ -
Change in assumptions	-	1,644,955
Differences between projected and actual investment earnings	7,286,810	-
Differences between expected and actual economic experience	4,688,623	-
Total	$ 19,640,040	$ 1,644,955

The amount of $7,664,607 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows (inflows) of resources related to pension will be recognized in pension expense as follows:

Year Ended:	
2025	$ 4,073,621
2026	3,065,095
2027	5,793,429
2028	(2,601,667)
Total	$ 10,330,478

4) Accounting Standards

The GASB has issued the following Statements which will become effective in future years as shown below:

GASB Statement No. 101 - Compensated Absences

GASB 101 updates the recognition and measurement guidance for compensated absences under a unified model. It defines compensated absences and requires that liabilities be recognized for leave for which employees may receive one or more: cash payments when the leave is used for time off; other cash payments, such as payment for unused leave upon termination of employment which includes voluntary resignation or retirement; or noncash settlements, such as conversion to defined benefit postemployment benefits. GASB 101 also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. GASB 101 amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The City expects to first apply GASB 101 during the year ending September 30, 2025. The impact of applying the Statement has not been determined.

GASB Statement No. 102 - Certain Risk Disclosures

GASB 102 requires governments to disclose information about certain concentrations or constraints that could affect services provided or the ability to meet obligations as they come due. The City expects to first apply GASB 102 during the year ending September 30, 2025. The impact of applying the Statement has not been determined.

GASB Statment No. 103, Financial Reporting Model Improvements (GASB 103)

GASB 103 seeks to improve the financial reporting model by standardizing the presentation for various matters within the governmental financial statements. The purpose is to eliminate diversity practice and improve comparability. The City expects to first apply GASB 103 during the year ending September 30, 2026. The impact of applying the Statement has not been determined.

GASB Statement No. 104, Disclosure of Certain Capital Assets (GASB 104)

GASB 104 seeks to improve disclosures related to certain types of capital assets. The purpose is to provide users of government financial statements with essential information about certain types of capital assets. The City expects to first apply GASB 104 during the year ending September 30, 2026. The impact of applying this Statement has not been determined.

5) Subsequent Events

In October 2024, the City issued $9,560,000 of Combination Tax and Revenue Certificates of Obligation, Series 2024 and $2,310,000 of General Obligation Bonds, Series 2024. The interest rates on the Combination Tax and Revenue Certificates of Obligation, Series 2024 are 5% and the maturity date is February 15, 2044. The interest rates on the General Obligation Bonds, Series 2024 are 5% and the maturity date is February 15, 2033.

On January 27, 2025, the Office of Management and Budget (OMB) issued M 25-13, pausing all activities related to obligation or disbursement of all federal financial assistance with certain exceptions. The memo has since bee rescinded; however, ii is unclear whether future assistance could be at risk. The potential impacts of the executive orders on the City's future federal financial assistance have not been evaluated.

REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
(UNAUDITED)

Measurement Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarial Valuation Date	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
Total pension liability										
Service cost	$ 4,007,557	$ 4,261,691	$ 4,616,826	$ 4,806,867	$ 4,866,475	$ 5,127,310	$ 5,240,367	$ 5,281,449	$ 6,093,461	$ 6,591,462
Interest (on the total pension liability)	15,367,910	15,717,266	15,747,728	16,395,749	17,101,046	17,818,591	18,476,451	19,027,607	20,096,121	21,069,719
Change in benefit terms including substantively automatic status	-	-	-	-	-	-	-	-	1,772,446	-
Difference between expected and actual experience	(3,914,413)	(698,312)	1,000,031	1,014,084	876,127	415,085	(1,293,960)	3,966,105	4,281,046	3,558,757
Change in assumptions		626,944				121,972		-	-	(2,339,029)
Benefit payments, including refunds of employee contributions	(10,236,923)	(10,957,740)	(11,677,954)	(12,040,638)	(11,554,676)	(13,132,856)	(14,453,989)	(14,102,244)	(15,145,311)	(17,446,591)
Net change in total pension liability	5,224,131	8,949,849	9,686,631	10,176,062	11,288,972	10,350,102	7,968,869	14,172,917	17,097,763	11,434,318
Total pension liability - beginning	222,656,259	227,880,390	236,830,239	246,516,870	256,692,932	267,981,904	278,332,006	286,300,875	300,473,792	317,571,555
Total pension liability - ending (a)	$ 227,880,390	$ 236,830,239	$ 246,516,870	$ 256,692,932	$ 267,981,904	$ 278,332,006	$ 286,300,875	$ 300,473,792	$ 317,571,555	$ 329,005,873
Plan fiduciary net position										
Contributions - employer	$ 4,951,824	$ 4,939,690	$ 4,776,281	$ 5,118,344	$ 5,312,253	$ 5,553,843	$ 5,829,450	$ 6,105,689	$ 10,489,950	$ 8,534,416
Contributions - employee	1,779,313	1,843,704	1,920,471	1,964,277	2,000,313	2,102,588	2,148,396	2,154,437	2,396,102	2,561,923
Net investment income	11,387,339	305,177	13,701,366	29,283,799	(7,051,348)	34,618,034	19,190,023	34,594,891	(21,449,525)	31,266,806
Benefit payments, including refunds of employee contributions	(10,236,923)	(10,957,740)	(11,677,954)	(12,040,638)	(11,554,676)	(13,132,856)	(14,453,989)	(14,102,244)	(15,145,311)	(17,446,591)
Administrative expense	(118,899)	(185,890)	(154,760)	(151,785)	(136,330)	(195,719)	(124,261)	(160,193)	(185,817)	(199,167)
Other	(9,775)	(9,182)	(8,338)	(7,692)	(7,123)	(5,880)	(4,848)	1,097	221,735	(1,391)
Net change in plan fiduciary net position	7,752,879	(4,064,241)	8,557,066	24,166,305	(11,436,911)	28,940,010	12,584,771	28,593,677	(23,672,866)	24,715,996
Plan fiduciary net position - beginning	199,075,146	206,828,025	202,763,784	211,320,850	235,487,155	224,050,244	252,990,254	265,575,025	294,168,702	270,495,836
Plan fiduciary net position - ending (b)	$ 206,828,025	$ 202,763,784	$ 211,320,850	$ 235,487,155	$ 224,050,244	$ 252,990,254	$ 265,575,025	$ 294,168,702	$ 270,495,836	$ 295,211,832
Net pension liability - ending [(a) - (b)]	$ 21,052,365	$ 34,066,455	$ 35,196,020	$ 21,205,777	$ 43,931,660	$ 25,341,752	$ 20,725,850	$ 6,305,090	$ 47,075,719	$ 33,794,041
Plan fiduciary net position as a percentage of total pension liability	90.76%	85.62%	85.72%	91.74%	83.61%	90.90%	92.76%	97.90%	85.18%	89.73%
Covered payroll	$ 25,406,973	$ 25,797,163	$ 26,888,911	$ 28,061,102	$ 28,575,894	$ 30,036,968	$ 30,681,303	$ 30,777,674	$ 34,137,039	$ 36,598,899
Net pension liability as a percentage of covered payroll	82.86%	132.06%	130.89%	75.57%	153.74%	84.37%	67.55%	20.49%	137.90%	92.34%

REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	(1) Actuarially determined contribution	(2) Contributions in relation to the actuarially determined contribution	(3) Contribution excess (deficiency) (2) - (1)	(4) Covered pay roll	(5) Actuarially determined contributions as a percentage of cov ered pay roll (1)/(4)	(6) Contributions as a percentage of covered pay roll (2)/(4)
2015	$ 4,887,161	$ 4,887,161	$ 0	$ 25,596,098	19.09%	19.09%
2016	4,859,534	4,859,534	0	26,799,133	18.13%	18.13%
2017	5,042,680	5,042,680	0	27,664,216	18.23%	18.23%
2018	5,235,027	5,235,027	0	28,294,655	18.50%	18.50%
2019	5,512,290	5,512,290	0	29,772,189	18.51%	18.51%
2020	5,596,912	5,596,912	0	29,695,237	18.85%	18.85%
2021	5,901,143	5,901,143	0	31,021,165	19.02%	19.02%
2022	6,808,330	7,328,330	520,000	34,097,741	19.97%	21.49%
2023	7,228,762	12,003,853	4,775,091	37,977,824	19.03%	31.61%
2024	7,806,538	9,378,099	1,571,561	39,144,978	19.94%	23.96%

NOTES TO SCHEDULE OF CONTRIBUTIONS

VALUATION DATE:

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Closed Remaining Amortization Period	22 Years
Asset Valuation Method	10 Year Smoothed Market, 12% Soft Corridor
Corridor Inflation	2.5%
Salary Increases	3.60% to 11.85% Including Inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based tale of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 100% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a full generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes	There were no benefit changes during the most recent fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION
RETIREE HEALTH PLAN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS (will ultimately be displayed)
(UNAUDITED)

Measurement Date December 31,	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability							
Service Cost	$ 110,736	$ 111,763	$ 131,014	$ 120,599	$ 103,922	$ 112,523	$ 117,900
Interest on the total OPEB liability	156,152	82,870	93,957	139,265	177,352	173,090	199,485
Change of benefit terms	-	(172,028)	-	-	-	-	-
Difference between expected and actual experience of the total OPEB liability	58,138	158,578	22,259	(186,450)	21,854	(142,849)	15,272
Changes of assumptions	109,686	(330,436)	38,096	25,396	449,630	(109,852)	143,553
Benefit payments	(525,376)	(471,500)	(467,935)	(472,782)	(481,825)	(473,238)	(486,880)
Net change in total OPEB liability	(90,664)	(620,753)	(182,609)	(373,972)	270,933	(440,326)	(10,670)
Total OPEB liability - beginning	4,062,924	4,683,677	4,866,286	5,240,258	4,969,325	5,409,651	5,420,321
Total OPEB liability - ending	$ 3,972,260	$ 4,062,924	$ 4,683,677	$ 4,866,286	$ 5,240,258	$ 4,969,325	$ 5,409,651
Covered-employee payroll	$ 10,446,418	$ 11,370,837	$ 10,176,385	$ 11,301,580	$ 13,088,231	$ 13,527,167	$ 12,668,540
Total OPEB liability as a percentage of covered-employee payroll	38.03%	35.73%	46.02%	43.06%	40.04%	36.74%	42.70%

Notes to Schedule:

FYE24 - The demographic assumptions were updated to reflect the 2022 TMRS Experience Study.

FYE20 - The demographic assumptions were updated to reflect the 2019 TMRS Experience Study .

Changes of assumptions reflect the effects of changes in the discount rate each period.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

The following are the discount rates used in each period:

FYE	Discount Rate
2024	3.77%
2023	4.05%
2022	1.84%
2021	2.00%
2020	2.75%
2019	3.71%
2018	3.31%
2017	3.81%

OTHER SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City's Special Revenue Funds:

Hotel/Motel - to account for receipt and allocation of the City's hotel/motel occupancy tax. Use of this tax is limited by law to the promotion of tourism. The City hotel occupancy tax rate for its twelve hotels is 7%.

Police Forfeitures - to account for proceeds from the sale of assets seized in connection with drug arrests. Revenues are restricted to law enforcement expenditures.

Donations - to account for voluntary contributions for community improvement.

Cemetery – to account for grounds maintenance of Keenan Cemetery.

Tax Increment Reinvestment Zone No. 3 – to dedicate certain tax increment revenues to the Mercer Crossing Development and apply these revenues to reduce the public improvement district assessments.

Municipal Court Fees – to account for the municipal court building security fee dedicated to courthouse security and the municipal court technology fee for the purchase of technological enhancements.

Landfill Closure/Postclosure - to account for the accumulated contributions from a prior contract with Allied Waste North America, Inc. to provide resources for current and future landfill costs related to closure/postclosure.

Joint Fire Training – to account for the contributions from the participating cities to pay for the operations of the Joint Fire Training facility.

PEG Access Channel – to account for Public, Educational, Governmental (PEG) access channel capital support. Funding source is 1% of cable franchisees' gross revenue.

Farmers Branch Local Government Corporation – to account for activities to further the promotion, development, encouragement, and maintenance of employment, commerce, economic development and public facility development in Farmers Branch on behalf of the City.

Residential Revitalization Bond – to finance the City's programs for economic development for single-family residential redevelopment and revitalization in the City.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for all resources used for the acquisition and/or construction of major capital facilities by the City, except those financed by the Enterprise Fund. The following is a description of the City's Capital Projects Funds:

Hotel/Motel – to account for the construction and financing of historical park improvements, funded by hotel/motel tax revenues.

Street Improvement Bond – to account for permanent public improvements for streets, thoroughfares, bridges, interchanges, intersections, grade separations, sidewalks and other public ways of the City, including streetscape improvements, public utility improvements, storm drainage facilities, and the acquisition of land therefore.

Fire Station #2 / Landfill Bond – to account for the construction and relocation of Fire Station #2 and to construct a new scale house and maintenance facility at the Camelot Landfill.

Radio System Bond – to account for public radio system upgrades and improvements.

Consolidated Dispatch Bond – to account for acquiring, equipping, or constructing of joint public safety dispatch, communications, and training facilities.

Pike Street / Station Area Improvement Bond – to account for infrastructure construction in the City's light rail station area including sidewalks, street lighting, parking and streetscaping, and related storm drainage improvements, and acquiring rights-of-way in connection therewith.

TIF District No. 2 - to account for infrastructure construction in the Old Farmers Branch tax increment financing district and is funded from developer contributions, developer advances, and property tax payments.

TIF District No. 4 - to account for infrastructure in Interstate Highway 35W and Valwood Park tax increment financing district and is funded from developer contributions, developer advances, and proper property tax payments.

Trails & Sidewalks Bond – to provide funds for park and open space improvements, including trails, sidewalks and nature preserves.

NTECC/Emergency Equipment Bond– to account for the acquisition of fire apparatus.

Branch Connection – to account for the construction and remodel of the Branch Connection Center.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT F-1

COMBINING BALANCE SHEET - SUMMARY
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash, cash equivalents, and investments	$ 13,980,376	$ 12,378,573	$ 26,358,949
Receivables (net of allowance for uncollectibles)	566,318		566,318
Accrued interest and other	115,329	102,457	217,786
Land held for resale	1,718,800		1,718,800
Prepaid items	688		688
Total assets	$ 16,381,511	$ 12,481,030	$ 28,862,541
LIABILITIES			
Accounts payable	$ 336,060	$ 378,719	$ 714,779
Retainage payable	4,960	277,730	282,690
Due to other funds	1,328,735		1,328,735
Deposits payable		125,605	125,605
Total liabilities	1,669,755	782,054	2,451,809
DEFERRED INFLOWS OF RESOURCES			
Total deferred inflows of resources	-	-	-
FUND BALANCES			
Nonspendable			
Land held for resale	1,718,800		1,718,800
Prepaid items	688		688
Restricted for			
Construction of capital assets		11,910,033	11,910,033
Landfill closure / postclosure	7,877,113		7,877,113
Promotion of tourism	3,102,142		3,102,142
Purpose of grantors, trustees and donors	780,798		780,798
Economic development	479,516		479,516
Law enforcement	736,651		736,651
Fire training operations	16,048		16,048
Assigned to			
Unassigned	-	(211,057)	(211,057)
Total fund balances	14,711,756	11,698,976	26,410,732
Total liabilities, deferred inflows of resources, and fund balances	$ 16,381,511	$ 12,481,030	$ 28,862,541

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2024

	Nonmajor Special Revenue Funds					
	Hotel/ Motel	Police Forfeitures	Donations	Cemetery	Tax Increment Reinvestment Zone No. 3	Municipal Court Fees
ASSETS						
Cash, cash equivalents, and investments	$ 4,236,901	$ 376,903	$ 498,908	$ 14,171	$ 173,954	$ 458,567
Receivables (net of allowance for uncollectibles)	325,537				231,349	
Accrued interest and other	37,651	2,868	9,948	115	13,483	2,917
Land held for resale						
Prepaid items	688					
Total assets	$ 4,600,777	$ 379,771	$ 508,856	$ 14,286	$ 418,786	$ 461,484
LIABILITIES						
Accounts payable	$ 169,212	$ 99,831	$ 7,600	$	$ 21,809	$ 4,773
Retainage payable						
Due to other funds	1,328,735					
Total liabilities	1,497,947	99,831	7,600	-	21,809	4,773
FUND BALANCES						
Nonspendable						
Land held for resale						
Prepaid items	688					
Restricted for						
Landfill closure/postclosure						
Promotion of tourism	3,102,142					
Purpose of grantors, trustees, and donors			501,256	14,286		
Economic development					396,977	
Law enforcement		279,940				456,711
Fire training operations						
Total fund balances	3,102,830	279,940	501,256	14,286	396,977	456,711
Total liabilities, deferred inflows of resources, and fund balances	$ 4,600,777	$ 379,771	$ 508,856	$ 14,286	$ 418,786	$ 461,484

Nonmajor Special Revenue Funds						
Landfill Closure/ Postclosure	Joint Fire Training	PEG Access Channel	Farmers Branch Local Gov't Corporation	Residential Revitalization Bond	Total Nonmajor Special Revenue Funds
$ 7,864,969	$ 21,161	$ 212,308	$ 40,683	$ 81,851	$ 13,980,376
		9,432			566,318
44,578	248	2,833		688	115,329
				1,718,800	1,718,800
					688
$ 7,909,547	$ 21,409	$ 224,573	$ 40,683	$ 1,801,339	$ 16,381,511
$ 27,474	$ 5,361	$	$	$	$ 336,060
4,960					4,960
					1,328,735
32,434	5,361	-	-	-	1,669,755
				1,718,800	1,718,800
					688
7,877,113					7,877,113
					3,102,142
		224,573	40,683		780,798
				82,539	479,516
					736,651
	16,048				16,048
7,877,113	16,048	224,573	40,683	1,801,339	14,711,756
$ 7,909,547	$ 21,409	$ 224,573	$ 40,683	$ 1,801,339	$ 16,381,511

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2024

	Nonmajor Capital Projects Fund					
	Hotel/ Motel	Street Improvement Bond	Fire Station #2/ Landfill Bond	Radio System Bond	Consolidated Dispatch Bond	Pike Street/ Station Area Improvement Bond
ASSETS						
Cash, cash equivalents, and investments	$ 233,557	$ 129,965	$ 196,125	$ 45,353	$ 139,802	$ 3,027,280
Accrued interest and other	(1,066)	2,431	1,642			29,475
Total assets	$ 232,491	$ 132,396	$ 197,767	$ 45,353	$ 139,802	$ 3,056,755
LIABILITIES						
Accounts payable	$ 3,030	$ 100,007	$	$ 44,678	$	$
Retainage payable	229,460	5,136				32,581
Deposits payable					125,605	
Total liabilities	232,490	105,143	-	44,678	125,605	32,581
DEFERRED INFLOWS OF RESOURCES						
Total deferred inflows of resources	-	-	-	-	-	-
FUND BALANCES						
Restricted for						
Construction of capital assets	1	27,253	197,767	675	14,197	3,024,174
Assigned to						
Unassigned	-	-	-	-	-	-
Total fund balances	1	27,253	197,767	675	14,197	3,024,174
Total liabilities, deferred inflows of resources, and fund balances	$ 232,491	$ 132,396	$ 197,767	$ 45,353	$ 139,802	$ 3,056,755

Nonmajor Capital Projects Fund					
TIF District No. 2	TIF District No 4	Trails & Sidewalks Bond	NTECC/Emergency Equipment Bond	Branch Connection Bond	Total Nonmajor Capital Projects Funds
$ 3,635,990	$ 992,857	$ 3,977,644	$	$	$ 12,378,573
29,976	5,886	34,113			102,457
$ 3,665,966	$ 998,743	$ 4,011,757	$ -	$ -	$ 12,481,030
$ 22,635	$	$ 7,865	$	$ 200,504	$ 378,719
				10,553	277,730
					125,605
22,635	-	7,865	-	211,057	782,054
-	-	-	-	-	-
3,643,331	998,743	4,003,892			11,910,033
-	-	-	-	(211,057)	(211,057)
3,643,331	998,743	4,003,892	-	(211,057)	11,698,976
$ 3,665,966	$ 998,743	$ 4,011,757	$ -	$ -	$ 12,481,030

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT F-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - SUMMARY
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Hotel/motel taxes	$ 3,515,051	$	$ 3,515,051
Franchise taxes	41,067		41,067
Tax increment financing	1,246,461	764,993	2,011,454
Charges for services	137,305		137,305
Fines and forfeitures	201,092		201,092
Investment income	836,945	721,925	1,558,870
Intergovernmental	300,469		300,469
Miscellaneous	196,191		196,191
Total revenues	6,474,581	1,486,918	7,961,499
EXPENDITURES			
Current			
General government	1,339,022		1,339,022
Public safety	542,800		542,800
Public works	162,139		162,139
Culture and recreation	2,323,569		2,323,569
Debt Service			
Capital outlay	151,327	3,574,732	3,726,059
Total expenditures	4,518,857	3,574,732	8,093,589
Excess (deficiency) of revenues over (under) expenditures	1,955,724	(2,087,814)	(132,090)
OTHER FINANCING SOURCES (USES)			
Transfers in	2,800,000	760,378	3,560,378
Transfers out	(2,685,215)		(2,685,215)
Sale of general capital assets	35,408		35,408
Total other financing sources (uses)	150,193	760,378	910,571
Net change in fund balances	2,105,917	(1,327,436)	778,481
Fund balances - beginning	12,605,839	13,026,412	25,632,251
Fund balances - ending	$ 14,711,756	$ 11,698,976	$ 26,410,732

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT F-2A

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Nonmajor Special Revenue Funds					
	Hotel/ Motel	Police Forfeitures	Donations	Cemetery	Tax Increment Reinvestment Zone No 3	Municipal Court Fees
REVENUES						
Hotel/motel taxes	$ 3,515,051	$	$	$	$	$
Franchise taxes						
Tax increment financing					1,246,461	
Charges for services	137,305					
Fines and forfeitures		53,955				147,137
Investment income	289,632	20,210	70,094	807	95,001	20,550
Intergovernmental			198,462			
Miscellaneous	1,133		115,894	1,200	77,964	
Total revenues	3,943,121	74,165	384,450	2,007	1,419,426	167,687
EXPENDITURES						
General government			6,999		1,318,499	10,100
Public safety		98,494	285,124			62,874
Public works						
Culture and recreation	2,311,328		12,241			
Capital outlay						
Total expenditures	2,311,328	98,494	304,364	-	1,318,499	72,974
Excess (deficiency) of revenues over (under) expenditures	1,631,793	(24,329)	80,086	2,007	100,927	94,713
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers out	(1,196,715)		(1,488,500)			
Sale of general capital assets						
Total other financing sources (uses)	(1,196,715)	-	(1,488,500)	-	-	-
Net change in fund balances	435,078	(24,329)	(1,408,414)	2,007	100,927	94,713
Fund balances - beginning	2,667,752	304,269	1,909,670	12,279	296,050	361,998
Fund balances - ending	$ 3,102,830	$ 279,940	$ 501,256	$ 14,286	$ 396,977	$ 456,711

Nonmajor Special Revenue Funds					
Landfill Closure/ Postclosure	Joint Fire Training	PEG Access Channel	Farmers Branch Local Gov't Corporation	Residential Revitalization Bond	Total Nonmajor Special Revenue Funds
$	$	$	$	$	$ 3,515,051
		41,067			41,067
					1,246,461
					137,305
					201,092
314,093	1,747	19,964		4,847	836,945
	102,007				300,469
					196,191
314,093	103,754	61,031	-	4,847	6,474,581
		3,424			1,339,022
	96,308				542,800
162,139					162,139
					2,323,569
		151,327			151,327
162,139	96,308	154,751	-	-	4,518,857
151,954	7,446	(93,720)	-	4,847	1,955,724
2,800,000					2,800,000
					(2,685,215)
35,408					35,408
2,835,408	-	-	-	-	150,193
2,987,362	7,446	(93,720)	-	4,847	2,105,917
4,889,751	8,602	318,293	40,683	1,796,492	12,605,839
$ 7,877,113	$ 16,048	$ 224,573	$ 40,683	$ 1,801,339	$ 14,711,756

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT F-2B

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Nonmajor Capital Projects Funds					
	Hotel/ Motel	Street Improvement Bond	Fire Station #2/ Landfill Bond	Radio System Bond	Consolidated Dispatch Bond	Pike Street / Station Area Improvement Bond
REVENUES						
Tax increment financing	$	$	$	$	$	$
Investment income	(7,509)	17,135	11,571	1		207,679
Total revenues	(7,509)	17,135	11,571	1	-	207,679
EXPENDITURES						
Current						
Debt service						
Capital outlay	1,904,248	390,369				709,822
Total expenditures	1,904,248	390,369	-	-	-	709,822
Excess (deficiency) of revenues over (under) expenditures	(1,911,757)	(373,234)	11,571	1	-	(502,143)
OTHER FINANCING SOURCES (USES)						
Transfers in	585,715					
Total other financing sources (uses)	585,715	-	-	-	-	-
Net change in fund balances	(1,326,042)	(373,234)	11,571	1	-	(502,143)
Fund balances - beginning	1,326,043	400,487	186,196	674	14,197	3,526,317
Fund balances - ending	$ 1	$ 27,253	$ 197,767	$ 675	$ 14,197	$ 3,024,174

Nonmajor Capital Projects Funds					
TIF District No. 2	TIF District No 4	Trails & Sidewalks Bond	NTECC/Emergency Equipment Bond	Branch Connection Bond	Total Nonmajor Capital Projects Funds
$ 206,730	$ 558,263	$	$	$	$ 764,993
211,211	41,475	240,362			721,925
417,941	599,738	240,362	-	-	1,486,918
78,554		106,019	174,663	211,057	3,574,732
78,554	-	106,019	174,663	211,057	3,574,732
339,387	599,738	134,343	(174,663)	(211,057)	(2,087,814)
			174,663		760,378
-	-	-	174,663	-	760,378
339,387	599,738	134,343	-	(211,057)	(1,327,436)
3,303,944	399,005	3,869,549			13,026,412
$ 3,643,331	$ 998,743	$ 4,003,892	$ -	$ (211,057)	$ 11,698,976

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

Nonmajor Special Revenue Funds and Debt Service Fund

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1A

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HOTEL/MOTEL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Hotel/motel taxes	$ 3,136,000	$ 3,515,051	$ 379,051
Charges for services	127,500	137,305	9,805
Investment income	185,300	289,632	104,332
Miscellaneous	1,100	1,133	33
Total revenues	3,449,900	3,943,121	493,221
EXPENDITURES			
Culture and recreation	3,252,803	2,311,328	941,475
Total expenditures	3,252,803	2,311,328	941,475
Excess (deficiency) of revenues over (under) expendtiures	197,097	1,631,793	1,434,696
OTHER FINANCING SOURCES (USES)			
Transfers out	(611,000)	(1,196,715)	(585,715)
Total other financing sources (uses)	(611,000)	(1,196,715)	(585,715)
Net change in fund balances	(413,903)	435,078	848,981
Fund balances - beginning	2,667,752	2,667,752	-
Fund balances - ending	$ 2,253,849	$ 3,102,830	$ 848,981

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1B

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
POLICE FORFEITURES FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Fines and forfeitures	$ 53,900	$ 53,955	$ 55
Investment income	16,700	20,210	3,510
Total revenues	70,600	74,165	3,565
EXPENDITURES			
Public safety	145,500	98,494	47,006
Total expenditures	145,500	98,494	47,006
Net change in fund balances	(74,900)	(24,329)	50,571
Fund balances - beginning	304,269	304,269	-
Fund balances - ending	$ 229,369	$ 279,940	$ 50,571

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1C

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DONATIONS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Investment income	$ 73,900	$ 70,094	$ (3,806)
Intergovernmental	198,500	198,462	(38)
Miscellaneous	114,616	115,894	1,278
Total revenues	387,016	384,450	(2,566)
EXPENDITURES			
General government	21,000	6,999	14,001
Public safety	290,382	285,124	5,258
Culture and recreation	18,100	12,241	5,859
Total expenditures	329,482	304,364	25,118
Excess (deficiency) of revenues over (under) expendtiures	57,534	80,086	22,552
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,500,000)	(1,488,500)	11,500
Total other financing sources (uses)	(1,500,000)	(1,488,500)	11,500
Net change in fund balances	(1,442,466)	(1,408,414)	34,052
Fund balances - beginning	1,909,670	1,909,670	-
Fund balances - ending	$ 467,204	$ 501,256	$ 34,052

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1D

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CEMETERY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Investment income	$ 600	$ 807	$ 207
Miscellaneous	1,200	1,200	-
Total revenues	1,800	2,007	207
Net change in fund balances	1,800	2,007	207
Fund balances - beginning	12,279	12,279	-
Fund balances - ending	$ 14,079	$ 14,286	$ 207

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1E

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TAX INCREMENT REINVESTMENT ZONE NO. 3
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Tax increment financing	$ 1,246,500	$ 1,246,461	$ (39)
Investment income	40,200	95,001	54,801
Miscellaneous	-	77,964	77,964
Total revenues	1,286,700	1,419,426	132,726
EXPENDITURES			
General government	1,321,500	1,318,499	3,001
Total expenditures	1,321,500	1,318,499	3,001
Net change in fund balances	(34,800)	100,927	135,727
Fund balances - beginning	296,050	296,050	-
Fund balances - ending	$ 261,250	$ 396,977	$ 135,727

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1F

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MUNICIPAL COURT FEES FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Fines and forfeitures	$ 138,600	$ 147,137	$ 8,537
Investment income	13,900	20,550	6,650
Total revenues	152,500	167,687	15,187
EXPENDITURES			
General government	10,100	10,100	-
Public safety	63,000	62,874	126
Total expenditures	73,100	72,974	126
Net change in fund balances	79,400	94,713	15,313
Fund balances - beginning	361,998	361,998	-
Fund balances - ending	$ 441,398	$ 456,711	$ 15,313

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G1-G

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LANDFILL CLOSURE/POSTCLOSURE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Investment income	$ 226,100	$ 314,093	$ 87,993
Total revenues	226,100	314,093	87,993
EXPENDITURES			
Public works	1,370,781	162,139	1,208,642
Total expenditures	1,370,781	162,139	1,208,642
Excess (deficiency) of revenues over (under) expendtiures	(1,144,681)	151,954	1,296,635
OTHER FINANCING SOURCES (USES)			
Transfers in	2,800,000	2,800,000	-
Sale of general capital assets	35,400	35,408	8
Total other financing sources (uses)	2,835,400	2,835,408	8
Net change in fund balances	1,690,719	2,987,362	1,296,643
Fund balances - beginning	4,889,751	4,889,751	-
Fund balances - ending	$ 6,580,470	$ 7,877,113	$ 1,296,643

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1H

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JOINT FIRE TRAINING FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Investment income	$ 800	$ 1,747	$ 947
Intergovernmental	102,000	102,007	7
Total revenues	102,800	103,754	954
EXPENDITURES			
Public safety	107,800	96,308	11,492
Total expenditures	107,800	96,308	11,492
Net change in fund balances	(5,000)	7,446	12,446
Fund balances - beginning	8,602	8,602	-
Fund balances - ending	$ 3,602	$ 16,048	$ 12,446

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1I

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PEG ACCESS CHANNEL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Franchise taxes	$ 42,600	$ 41,067	$ (1,533)
Investment income	15,000	19,964	4,964
Total revenues	57,600	61,031	3,431
EXPENDITURES			
General government	372,800	3,424	369,376
Capital outlay	-	151,327	(151,327)
Total expenditures	372,800	154,751	218,049
Net change in fund balances	(315,200)	(93,720)	221,480
Fund balances - beginning	318,293	318,293	-
Fund balances - ending	$ 3,093	$ 224,573	$ 221,480

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-1J

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESIDENTIAL REVITALIZATION BOND FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Investment income	$ 4,300	$ 4,847	$ 547
Total revenues	4,300	4,847	547
EXPENDITURES			
General government	46,757	-	46,757
Total expenditures	46,757	-	46,757
Net change in fund balances	(42,457)	4,847	47,304
Fund balances - beginning	1,796,492	1,796,492	-
Fund balances - ending	$ 1,754,035	$ 1,801,339	$ 47,304

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT G-2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Revised Budget	Actual Budget Basis	Variance
REVENUES			
Property taxes	$ 4,442,600	$ 4,450,880	$ 8,280
Investment income	2,239,900	462,113	(1,777,787)
Total revenues	6,682,500	4,912,993	(1,769,507)
EXPENDITURES			
Principal retirement	4,145,000	4,145,000	-
Interest and fiscal agent charges	2,501,700	2,499,059	2,641
Total expenditures	6,646,700	6,644,059	2,641
Net Change in Fund Balances	35,800	(1,731,066)	(1,766,866)
Fund balances - beginning	287,803	287,803	-
Fund balances - ending	$ 323,603	$ (1,443,263)	$ (1,766,866)

COMBINING FINANCIAL STATEMENTS

INTERNAL SERVICE FUNDS

The Internal Service Funds account for the financing services provided by one department to other departments of the City on a cost reimbursement basis. The following is a description of the City's Internal Service Funds:

Fleet & Facilities Management Fund - to account for materials and supplies provided exclusively to other funds and departments of the City.

Workers' Compensation Fund - to account for the City's workers' compensation self-insurance program.

Health Claims Fund – to account for the City's group health self-insurance program for employees, retirees, and their immediate families.

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT H-1

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2024

	Fleet & Facilities Management	Workers' Compensation	Health Claims	Total
ASSETS				
Current assets:				
Cash, cash equivalents, and investments	$ 1,892,627	$ 1,450,663	$ 2,066,928	$ 5,410,218
Receivables (net of allowance for uncollectibles)		11,334	32,005	43,339
Inventories	51,973			51,973
Prepaid items	4,813			4,813
Deposits		35,000		35,000
Total current assets	1,949,413	1,496,997	2,098,933	5,545,343
Noncurrent assets				
Capital and lease assets				
Nondepreciable	8,170			8,170
Depreciable, net of accumulated depreciation/amortization	7,092,224			7,092,224
Total noncurrent assets	7,100,394	-	-	7,100,394
Total assets	9,049,807	1,496,997	2,098,933	12,645,737
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows from pension	530,281			530,281
Deferred outflows from OPEB	32,835			32,835
Total deferred outflows of resources	563,116	-	-	563,116
LIABILITIES				
Current liabilities				
Accounts payable and other accrued liabilities	532,965	32,479	73,392	638,836
Compensated absences	29,180			29,180
Total OPEB liability Current	24,414			24,414
Claims payable		158,311	564,520	722,831
Total current liabilities	586,559	190,790	637,912	1,415,261
Noncurrent liabilities				
Claims payable long term		110,013		110,013
Net pension liability	954,720			954,720
Total OPEB liability	171,140			171,140
Total noncurrent liabilities	1,125,860	110,013	-	1,235,873
Total liabilities	1,712,419	300,803	637,912	2,651,134
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows from pension	44,414			44,414
Deferred inflows from OPEB	8,822			8,822
Total deferred inflows of resources	53,236	-	-	53,236
NET POSITION				
Net investment in capital assets	7,100,394			7,100,394
Unrestricted	746,874	1,196,194	1,461,021	3,404,089
Total net position	$ 7,847,268	$ 1,196,194	$ 1,461,021	$ 10,504,483

CITY OF FARMERS BRANCH, TEXAS

EXHIBIT H-2

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Fleet & Facilities Management	Workers' Compensation	Health Claims	Total
Operating Revenues				
Charges for services	$ 5,431,142	$	$	$ 5,431,142
Contributions and miscellaneous		544,457	4,590,139	5,134,596
Total operating revenues	5,431,142	544,457	4,590,139	10,565,738
Operating Expenses				
Personal services	894,882			894,882
Materials and supplies	2,454,441			2,454,441
Maintenance and utilities	2,346,897			2,346,897
Insurance claims and expenses		303,212	5,106,625	5,409,837
Depreciation	236,182			236,182
Total operating expenses	5,932,402	303,212	5,106,625	11,342,239
Operating Income (Loss)	(501,260)	241,245	(516,486)	(776,501)
Transfers in		-	376,800	376,800
Change in net position	(501,260)	241,245	(139,686)	(399,701)
Net Position, Beginning of Year	8,348,528	954,949	1,600,707	10,904,184
Net Position, End of Year	$ 7,847,268	$ 1,196,194	$ 1,461,021	$ 10,504,483

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Fleet & Facilities Management	Workers' Compensation	Health Claims	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund services provided	$ 5,431,142	$ 544,589	$ 4,595,517	10,571,248
Payments to suppliers	(4,637,024)	-	-	(4,637,024)
Payments to employees	(961,731)	-	-	(961,731)
Payments for claims		(371,555)	(5,050,034)	(5,421,589)
Net cash provided by (used for) operating activities	(167,613)	173,034	(454,517)	(449,096)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in from other funds	-	-	376,800	376,800
Net cash provided by noncapital financing activities	-	-	376,800	376,800
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(2,500)	-	-	(2,500)
Net cash used for capital and related financing activities	(2,500)	-	-	(2,500)
Net increase (decrease) in cash and cash equivalents	(170,113)	173,034	(77,717)	(74,796)
Cash and cash equivalents - beginning of year	2,062,740	1,277,629	2,144,645	5,485,014
Cash and cash equivalents - end of year	$ 1,892,627	$ 1,450,663	$ 2,066,928	$ 5,410,218
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	$ (501,260)	$ 241,245	$ (516,486)	$ (776,501)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	236,182	-	-	236,182
(Increase)/Decrease in				
Receivables	-	132	5,378	5,510
Inventories	(23,584)	-	-	(23,584)
Prepaid items	187	-	-	187
Deferred outflows of resources - pension	273,248	-	-	273,248
Deferred outflows of resources - OPEB	(740)	-	-	(740)
Increase/(Decrease) in				
Accounts payable and accrued in accrued liabilities	194,030	(45,436)	256	148,850
Claims payable	-	(22,907)	56,335	33,428
Net Pension liability	(358,605)	-	-	(358,605)
OPEB liability	(4,532)	-	-	(4,532)
Deferred inflows of resources - pension	39,423	-	-	39,423
Deferred inflows of resources - OPEB	(7,383)	-	-	(7,383)
Compensated absences	(14,579)	-	-	(14,579)
Net cash provided by (used for) operating activities	$ (167,613)	$ 173,034	$ (454,517)	$ (449,096)

STATISTICAL SECTION
(Unaudited)

The City of Farmers Branch's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

		Page
Financial Trends	These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	89 - 96
Revenue Capacity	These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	97 - 102
Debt Capacity	These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	103 - 105
Demographic & Economic Indicators	These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	106 - 107
Operating Information	These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	108 - 113
Other Information	This schedule offers additional analysis regarding rapidly growing expenses or areas of financial concern that are of interest to the users of the financial statements.	114

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF FARMERS BRANCH, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(UNAUDITED)

	Fiscal Year				
	2015 (1)	2016	2017	2018 (2)	2019
Governmental activities:					
Net investment in capital assets	$ 98,590,058	$ 98,496,787	$ 102,598,166	$ 111,614,735	$ 120,256,477
Restricted	6,147,754	7,152,723	5,347,455	5,004,542	8,793,762
Unrestricted	(31,206,669)	(32,114,251)	(24,589,681)	(23,365,364)	(20,684,259)
Total governmental activities net position	$ 73,531,143	$ 73,535,259	$ 83,355,940	$ 93,253,913	$ 108,365,980
Business-type activities:					
Net investment in capital assets	$ 42,443,950	$ 41,529,619	$ 40,158,599	$ 44,369,653	$ 50,795,139
Unrestricted	9,076,311	10,471,923	12,805,807	15,252,063	18,940,131
Total business-type activities net position	$ 51,520,261	$ 52,001,542	$ 52,964,406	$ 59,621,716	$ 69,735,270
Primary government:					
Net investment in capital assets	$ 141,034,008	$ 140,026,406	$ 142,756,765	$ 155,984,388	$ 171,051,616
Restricted	6,147,754	7,152,723	5,347,455	5,004,542	8,793,762
Unrestricted	(22,130,358)	(21,642,328)	(11,783,874)	(8,113,301)	(1,744,128)
Total governmental activities net position	$ 125,051,404	$ 125,536,801	$ 136,320,346	$ 152,875,629	$ 178,101,250

Notes:
(1) The fiscal year 2015 governmental activities were restated with implementation of GASB Statements 68 & 71 to record a beginning net pension liability and deferred outflow of resources for contributions made between the measurement date and fiscal year end.
(2The fiscal year 2018 governmental activities were restated with implementation of GASB Statement 75 to record a beginning net OPEB liability and deferred outflow of resources for contributions made between the measurement date and fiscal year end.

Fiscal Year				
2020	2021	2022	2023	2024
$ 140,767,184	$ 148,809,910	$ 142,607,256	$ 150,702,636	$ 166,817,200
9,407,269	13,515,575	10,194,325	13,178,193	11,412,361
(11,806,042)	(5,539,781)	23,156,960	30,534,514	44,099,132
$ 138,368,411	$ 156,785,704	$ 175,958,541	$ 194,415,343	$ 222,328,693
$ 52,383,379	$ 54,928,229	$ 62,163,819	$ 71,461,488	$ 76,765,889
18,701,549	23,584,767	26,181,830	25,823,592	29,184,301
$ 71,084,928	$ 78,512,996	$ 88,345,649	$ 97,285,080	$ 105,950,190
$ 193,150,563	$ 203,738,139	$ 204,771,075	$ 222,164,124	$ 243,583,089
9,407,269	13,515,575	10,194,325	13,178,193	11,412,361
6,895,507	18,044,986	49,338,790	56,358,106	73,283,433
$ 209,453,339	$ 235,298,700	$ 264,304,190	$ 291,700,423	$ 328,278,883

CITY OF FARMERS BRANCH, TEXAS

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(UNAUDITED)

	Fiscal Year					
	2015 (1)	2016	2017	2018 (2)	2019	2020
Expenses						
Governmental activities:						
General government	$ 12,623,901	$ 14,578,536	$ 16,573,789	$ 16,174,829	$ 19,575,431	$ 21,181,076
Public safety	22,025,873	25,223,791	26,982,151	25,966,603	29,155,722	29,902,691
Public works	9,414,374	9,262,380	304,447	12,433,845	13,841,348	12,899,719
Culture and recreation	12,588,417	14,084,036	14,415,728	13,864,483	15,349,830	14,243,692
Principal retirement						
Interest on long term debt	2,344,088	2,359,900	2,217,026	2,812,608	3,474,315	1,823,611
Unallocated depreciation	126,464	273,962	277,305	272,867	246,659	185,799
Total governmental activities expenses	59,123,117	65,782,605	60,770,446	71,525,235	81,643,305	80,236,588
Business-type activities:						
Water and sewer	13,095,850	15,187,138	16,086,557	17,132,596	16,513,832	16,026,496
Stormwater utility	570,356	274,895	647,624	284,185	1,509,879	1,693,104
Total busines-type activities expenses	13,666,206	15,462,033	16,734,181	17,416,781	18,023,711	17,719,600
Total primary government expenses	$ 72,789,323	$ 81,244,638	$ 77,504,627	$ 88,942,016	$ 99,667,016	$ 97,956,188
Program Revenues						
Governmental activities:						
Charges for services						
Public safety	$ 4,441,054	$ 4,694,946	$ 4,734,932	$ 4,254,309	$ 4,659,728	$ 3,453,793
Public works	2,287,633	2,481,706	2,651,878	3,342,887	6,672,289	5,658,875
Other	3,346,842	2,952,599	3,581,692	6,900,369	5,615,232	4,002,289
Operating grants and contributions	335,647	349,473	600,602	719,367	516,444	2,177,925
Capital grants and contributions	401,271	253,844	560,197	6,471,947	10,004,978	5,920,245
Total governmental activities program revenues	10,812,447	10,732,568	12,129,301	21,688,879	27,468,671	21,213,127
Business-type activities:						
Charges for services	17,746,563	20,083,136	21,271,417	25,155,472	25,734,892	28,029,705
Capital grants and contributions	3,800			3,368,829	4,365,188	2,716,505
Total business-type activities program revenues	17,750,363	20,083,136	21,271,417	28,524,301	30,100,080	30,746,210
Total primary government program revenues	$ 28,562,810	$ 30,815,704	$ 33,400,718	$ 50,213,180	$ 57,568,751	$ 51,959,337
Net (Expense)/Revenue						
Governmental activities	$ (48,310,670)	$ (55,050,037)	$ (48,641,145)	$ (49,836,356)	$ (54,174,634)	$ (59,023,461)
Business-type activities	4,084,157	4,621,103	4,537,236	11,107,520	12,076,369	13,026,610
Total primary government net expense	$ (44,226,513)	$ (50,428,934)	$ (44,103,909)	$ (38,728,836)	$ (42,098,265)	$ (45,996,851)
General Revenues and Other Changes in Net Position						
Governmental activities:						
Taxes						
Property taxes, levied for general purposes	$ 20,727,595	$ 22,191,443	$ 24,509,410	$ 25,617,820	$ 27,431,177	$ 30,636,546
Property taxes, levied for debt service	3,903,953	3,926,612	4,291,764	4,309,918	4,584,944	4,443,207
Sales and use taxes	13,363,544	13,639,841	13,936,336	14,618,441	17,410,323	17,164,707
Other taxes	8,508,637	9,457,598	10,600,730	12,032,639	14,617,755	10,181,063
Investment income	1,591,991	1,664,659	1,447,475	1,787,154	2,935,658	2,393,143
Gain on extinguishment of debt						9,979,973
Gain on sale of capital assets/miscellaneous	124,938		59,927	17,136	35,918	2,280,136
Grants not restricted to a specific purpose						
Transfers	3,469,420	4,174,000	3,616,184	4,227,900	2,270,926	11,947,117
Total governmental activities	51,690,078	55,054,153	58,461,826	62,611,008	69,286,701	89,025,892
Business-type activities:						
Investment income	21,560	34,178	41,812	103,609	308,111	270,165
Gain on sale of capital assets/miscellaneous						
Transfers	(3,469,420)	(4,174,000)	(3,616,184)	(4,227,900)	(2,270,926)	(11,947,117)
Total business-type activities	(3,447,860)	(4,139,822)	(3,574,372)	(4,124,291)	(1,962,815)	(11,676,952)
Total primary government	$ 48,242,218	$ 50,914,331	$ 54,887,454	$ 58,486,717	$ 67,323,886	$ 77,348,940
Change in Net Position						
Governmental activities	$ 3,379,408	$ 4,116	$ 9,820,681	$ 12,774,652	$ 15,112,067	$ 30,002,431
Business-type activities	636,297	481,281	962,864	6,983,229	10,113,554	1,349,658
Total primary government	$ 4,015,705	$ 485,397	$ 10,783,545	$ 19,757,881	$ 25,225,621	$ 31,352,089

Notes:

(1) The fiscal year 2015 governmental activities were restated with implementation of GASB 68 & 71 to record a beginning net pension liability and deferred outflow of resources for contributions made between the measurement date and fiscal year end.

(2) The fiscal year 2018 governmental activities were restated with implementation of GASB 75 to record a beginning net OPEB liability and deferred outflow of resources for contributions made between the measurement date and fiscal year end.

Fiscal Year			
2021	2022	2023	2024
$ 17,255,980	$ 20,254,045	$ 27,032,249	$ 21,150,357
26,422,950	24,240,573	36,077,852	38,959,551
14,984,662	14,182,657	24,718,438	15,389,261
13,626,946	16,005,075	16,848,177	18,277,084
			-
1,527,200	2,064,562	2,873,370	1,540,892
145,929	466,577	487,635	178,508
73,963,667	77,213,489	108,037,721	95,495,653
17,324,414	17,959,957	19,540,609	20,780,323
1,009,125	386,898	59,123	107,716
18,333,539	18,346,855	19,599,732	20,888,039
$ 92,297,206	$ 95,560,344	$ 127,637,453	$ 116,383,692
$ 4,152,796	$ 3,260,855	$ 3,579,903	$ 4,076,158
7,065,519	6,651,483	18,261,953	8,966,993
5,491,545	5,371,311	5,429,428	6,197,830
1,565,257	930,087	2,356,770	815,576
4,164,801	457,008	1,733,548	1,349,652
22,439,918	16,670,744	31,361,602	21,406,209
29,054,152	32,708,631	32,168,051	32,535,077
592,797	621,363	683,747	869,449
29,646,949	33,329,994	32,851,798	33,404,526
$ 52,086,867	$ 50,000,738	$ 64,213,400	$ 54,810,735
$ (51,523,749)	$ (60,542,745)	$ (76,676,119)	$ (74,089,444)
11,313,410	14,983,139	13,252,066	12,516,487
$ (40,210,339)	$ (45,559,606)	$ (63,424,053)	$ (61,572,957)
$ 34,131,625	$ 36,920,934	$ 42,362,924	$ 45,710,705
4,973,900	4,414,339	4,799,484	4,451,622
18,737,374	24,413,463	25,344,604	24,406,225
7,125,294	7,629,919	8,713,593	9,317,855
1,031,746	-	5,280,165	7,459,624
-	-	-	-
41,584	149,346	1,442,422	434,537
		1,745,580	5,078,575
3,899,519	4,739,339	5,117,095	5,143,651
69,941,042	78,267,340	94,805,867	102,002,794
7,656	-	792,209	1,292,274
6,521	-	12,251	-
(3,899,519)	(4,739,339)	(5,117,095)	(5,143,651)
(3,885,342)	(4,739,339)	(4,312,635)	(3,851,377)
$ 66,055,700	$ 73,528,001	$ 90,493,232	$ 98,151,417
$ 18,417,293	$ 17,724,595	$ 18,129,748	$ 27,913,350
7,428,068	10,243,800	8,939,431	8,665,110
$ 25,845,361	$ 27,968,395	$ 27,069,179	$ 36,578,460

CITY OF FARMERS BRANCH, TEXAS

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	Fiscal Year					
	2015	2016	2017	2018	2019	2020
General Fund						
Nonspendable	$ 132,756	$ 448,649	$ 517,318	$ 410,007	$ 2,737,891	$ 3,548,208
Assigned	4,676,363	4,182,793	3,629,261	5,244,119	3,126,224	3,307,524
Unassigned	7,907,059	8,257,163	10,183,899	14,421,939	17,828,976	16,720,978
Total general fund	$ 12,716,178	$ 12,888,605	$ 14,330,478	$ 20,076,065	$ 23,693,091	$ 23,576,710
All Other Governmental Funds						
Nonspendable	$ 5,647	$ 1,178,410	$ 813	$ 24,488	$ 938	$ 704,863
Restricted	22,883,726	19,182,416	15,144,319	33,841,817	27,285,503	31,040,799
Assigned	990,659	1,842,960	2,398,480	3,250,792	3,370,932	4,929,935
Unassigned						
Total all other governmental funds	$ 23,880,032	$ 22,203,786	$ 17,543,612	$ 37,117,097	$ 30,657,373	$ 36,675,597

Fiscal Year			
2021	2022	2023	2024
$ 3,517,846	$ 3,069,861	$ 3,707,863	$ 3,828,435
4,477,605	10,206,486	11,399,268	19,740,427
22,030,886	23,040,864	23,413,424	22,211,703
$ 30,026,337	$ 36,317,211	$ 38,520,555	$ 45,780,565
$ 1,300,176	$ 1,719,675	$ 1,719,550	$ 1,719,488
27,327,233	48,193,026	48,316,315	32,796,996
3,409,615	8,551,647	13,901,719	16,100,930
	(2,770)	-	(1,654,320)
$ 32,037,024	$ 58,461,578	$ 63,937,584	$ 48,963,094

CITY OF FARMERS BRANCH, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	Fiscal Year					
	2015	2016	2017	2018	2019	2020
REVENUES						
Property taxes	$ 24,536,084	$ 26,330,398	$ 28,416,586	$ 30,016,868	$ 31,975,934	$ 34,907,228
Sales and use taxes	13,363,544	13,639,841	13,936,336	14,618,441	17,410,323	17,164,707
Hotel/motel taxes	2,728,631	2,959,667	2,892,655	2,849,666	3,115,374	1,794,067
Franchise taxes	4,411,259	4,309,598	4,255,212	4,207,394	4,132,975	3,939,882
Tax increment financing	1,289,826	2,236,280	3,481,586	4,949,033	7,351,606	4,513,776
Licenses and permits	1,680,095	1,427,801	2,024,453	5,016,007	3,712,038	2,883,283
Charges for services	5,001,160	5,407,761	5,487,380	6,280,213	8,710,341	8,432,009
Fines and forfeitures	3,034,885	3,125,094	3,176,432	2,737,338	2,787,243	1,709,922
Special assessments	4,496	1,152		276	829	-
Investment income	1,591,991	1,651,645	1,447,475	1,787,154	2,935,658	2,393,143
Intergovernmental	584,312	503,153	676,535	327,232	510,454	2,482,704
Miscellaneous	279,221	194,356	744,394	623,672	1,116,009	546,467
Total revenues	58,505,504	61,786,746	66,539,044	73,413,294	83,758,784	80,767,188
EXPENDITURES						
General government	12,880,704	13,447,135	14,173,367	13,541,524	15,695,223	20,340,488
Public safety	23,117,436	24,353,622	25,600,823	25,364,483	26,304,729	29,457,949
Public works	7,145,553	7,378,781	8,458,117	9,298,814	9,833,782	10,230,771
Culture and recreation	11,746,205	12,923,543	12,997,256	13,029,696	13,993,554	12,902,268
Debt service:						
Principal retirement	3,450,000	3,930,000	4,605,000	5,481,000	6,081,028	4,120,000
Interest and fiscal agent charges	1,531,742	1,437,739	1,380,656	1,256,017	3,060,568	4,597,248
Issuance costs		96,628		429,311		177,131
Loss due to decline in market value						
Capital outlay	11,716,646	7,269,438	7,588,292	10,955,111	16,611,491	10,554,026
Total expenditures	71,588,286	70,836,886	74,803,511	79,355,956	91,580,375	92,379,881
Deficiency of revenues under expenditures	(13,082,782)	(9,050,140)	(8,264,467)	(5,942,662)	(7,821,591)	(11,612,693)
OTHER FINANCING SOURCES (USES)						
Transfers in	6,528,075	7,860,588	9,715,107	7,827,000	6,814,947	8,238,200
Transfers out	(2,477,275)	(3,095,788)	(4,984,107)	(3,129,100)	(3,673,047)	(4,163,700)
Certificates of obligation issued		2,545,000		10,515,000		
General obligation refunding and improvement bonds issued				13,540,000		12,305,000
Premiums on debt issued		149,083				1,178,547
Payment to refund bond escrow agent				1,337,311		(3,290,921)
Issuance of SBITAs						-
Sale of capital assets/insurance recoveries	709,764	87,438	315,166	1,171,523	1,836,993	3,247,410
Total other financing sources	4,760,564	7,546,321	5,046,166	31,261,734	4,978,893	17,514,536
Net change in fund balances	(8,322,218)	(1,503,819)	(3,218,301)	25,319,072	(2,842,698)	5,901,843
Debt service as a percentage of noncapital expenditures	8.32%	8.60%	8.91%	10.48%	12.19%	10.87%

Fiscal Year 2021	2022	2023	2024
$ 39,103,679	$ 41,399,866	$ 47,015,163	$ 50,038,531
18,737,374	24,413,463	25,344,604	24,406,225
1,683,018	2,913,839	3,341,512	3,515,051
3,877,037	3,856,016	3,869,822	3,828,952
1,557,120	860,064	1,501,804	2,011,454
3,810,089	2,700,392	2,137,679	2,252,812
9,961,389	10,810,063	11,735,048	12,061,700
1,731,794	1,235,780	1,262,584	2,262,179
166	-	-	-
1,031,796	-	5,280,165	7,459,624
2,266,930	3,546,738	3,534,105	7,674,876
1,350,204	351,968	2,131,452	328,017
85,110,596	92,088,189	107,153,938	115,839,421
17,608,739	17,723,764	24,979,555	20,438,928
28,611,977	29,640,456	33,553,105	36,873,749
11,292,346	10,019,759	9,881,308	10,921,561
15,497,781	14,258,499	15,006,425	16,206,097
4,300,000	4,699,556	5,137,872	4,534,947
2,039,374	1,857,848	2,702,626	2,521,056
-	319,500	-	-
8,186,898	9,366,850	14,742,428	37,422,708
87,537,115	87,886,232	106,003,319	128,919,046
(2,426,519)	4,201,957	1,150,619	(13,079,625)
8,025,400	15,147,600	16,218,591	15,543,778
(4,045,881)	(10,257,700)	(11,279,760)	(10,792,678)
-	23,810,000	-	-
-	-	-	-
-	-	-	-
-	-	640,087	245,460
258,054	167,281	956,852	368,585
4,237,573	28,867,181	6,535,770	5,365,145
1,811,054	33,069,138	7,686,389	(7,714,480)
7.99%	8.35%	8.59%	7.71%

CITY OF FARMERS BRANCH, TEXAS

ESTIMATED ACTUAL AND ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

	RESIDENTIAL PROPERTY			COMMERCIAL PROPERTY		
FISCAL YEAR	ESTIMATED ACTUAL VALUE	LESS: TAX EXEMPTIONS	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	LESS: TAX EXEMPTIONS	ASSESSED VALUE
2015	$ 1,219,899,590	$ 348,502,483	$ 871,397,107	$ 2,811,101,750	$ 491,719,476	$ 2,319,382,274
2016	1,282,165,920	358,024,345	924,141,575	3,043,315,820	498,804,477	2,544,511,343
2017	1,406,460,670	393,903,858	1,012,556,812	3,281,998,130	528,879,342	2,753,118,788
2018	1,552,573,710	442,604,793	1,109,968,917	3,423,020,660	512,810,029	2,910,210,631
2019	1,798,603,280	525,012,568	1,273,590,712	3,677,741,720	485,632,657	3,192,109,063
2020	2,008,956,470	551,238,764	1,457,717,706	4,103,048,110	521,046,781	3,582,001,329
2021	2,175,288,420	601,694,918	1,573,593,502	4,031,330,270	524,799,521	3,506,530,749
2022	2,464,002,060	614,135,636	1,849,866,424	4,487,428,100	544,619,638	3,942,808,462
2023	2,883,772,300	820,690,421	2,063,081,879	5,266,679,330	561,258,190	4,705,421,140
2024	3,432,772,830	977,521,391	2,455,251,439	5,912,890,050	597,252,878	5,315,637,172

Source: Dallas Central Appraisal District

Note: Property in the city is reassessed at least every three years. Property is assessed at actual value; therefore, the assessed values are equal to actual value less exemptions. Tax rates are per $100 of assessed value.

BUSINESS-PERSONAL PROPERTY			TOTAL			
ESTIMATED ACTUAL VALUE	LESS: TAX EXEMPTIONS	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	LESS: TAX EXEMPTIONS	ASSESSED VALUE	TOTAL DIRECT TAX RATE
$ 1,275,747,640	$ 250,286,356	$ 1,025,461,284	$ 5,306,748,980	$ 1,090,508,315	$ 4,216,240,665	0.6023
1,454,961,470	384,016,188	1,070,945,282	5,780,443,210	1,240,845,010	4,539,598,200	0.6023
1,361,283,370	274,149,744	1,087,133,626	6,049,742,170	1,196,932,944	4,852,809,226	0.6023
1,305,089,180	223,283,131	1,081,806,049	6,280,683,550	1,178,697,953	5,101,985,597	0.6023
1,315,215,260	205,277,411	1,109,937,849	6,791,559,810	1,215,922,636	5,575,637,174	0.5995
1,366,077,570	192,257,572	1,173,819,998	7,478,082,150	1,264,543,117	6,213,539,033	0.5995
1,389,153,750	217,850,106	1,171,303,644	7,595,772,440	1,344,344,545	6,251,427,895	0.5890
1,351,735,470	193,071,601	1,158,663,869	8,303,165,630	1,351,826,875	6,951,338,755	0.5890
1,526,102,570	228,396,600	1,297,705,970	9,676,554,200	1,610,345,211	8,066,208,989	0.5890
1,740,989,030	231,761,076	1,509,227,954	11,086,651,910	1,806,535,345	9,280,116,565	0.5690

CITY OF FARMERS BRANCH, TEXAS

TABLE 6

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(PER $100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS
(UNAUDITED)

	CITY DIRECT RATES			OVERLAPPING RATES (1)					
FISCAL YEAR	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT (2)	CARROLLTON - FARMERS BRANCH I.S.D.	DALLAS I.S.D.	DALLAS COUNTY	DALLAS COUNTY HOSPITAL	DALLAS COUNTY COMMUNITY COLLEGE	TOTAL (3)
2015	$ 0.5076	$ 0.0947	$ 0.6023	$ 1.3033	$ 1.2821	$ 0.2531	$ 0.2860	$ 0.1248	$ 2.5695
2016	0.5139	0.0884	0.6023	1.2817	1.2821	0.2531	0.2860	0.1237	2.5468
2017	0.5153	0.0870	0.6023	1.3917	1.2821	0.2524	0.2794	0.1229	2.6487
2018	0.5177	0.0846	0.6023	1.3810	1.2821	0.2531	0.2794	0.1242	2.6400
2019	0.5167	0.0828	0.5995	1.3700	1.4120	0.2531	0.2794	0.1240	2.6260
2020	0.5273	0.0722	0.5995	1.2684	1.3104	0.2531	0.2695	0.1240	2.5145
2021	0.5062	0.0828	0.5890	1.2547	1.2967	0.2497	0.2661	0.1240	2.4835
2022	0.5272	0.0618	0.5890	1.2013	1.2482	0.2379	0.2550	0.1235	2.4067
2023	0.5308	0.0582	0.5890	1.1429	1.1849	0.2279	0.2358	0.1159	2.3115
2024	0.5204	0.0486	0.5690	0.9836	1.0138	0.2157	0.2195	0.1103	2.0981

Source: Dallas Central Appraisal District

Notes:

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Farmers Branch. Not all overlapping rates apply to all city property owners; for example, although the county property tax rates apply to all city property owners, the Dallas Independent School District (ISD) rates apply only to the approximately 29.3% of city property owners whose property is located within that district's geographic boundaries.

(2) The City's basic property tax rate may be increased only by a majority vote of the City Council up to the limits of State law, after which city residents may petition for a vote. Rates for debt service are set based on each year's debt requirements.

(3) Does not include Dallas ISD as school districts do not overlap each other.

TABLE 7

DIRECT AND OVERLAPPING PROPERTY TAX LEVIES
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	FARMERS BRANCH	CARROLLTON - FARMERS BRANCH I.S.D.	DALLAS I.S.D.	DALLAS COUNTY	DALLAS COUNTY HOSPITAL	DALLAS COUNTY COMMUNITY COLLEGE
2015	$ 25,393,026	$ 209,568,728	$ 1,097,894,981	$ 443,108,658	$ 501,250,455	$ 228,116,786
2016	27,340,502	218,964,725	1,185,157,319	476,309,394	540,475,266	243,935,893
2017	29,226,869	256,530,998	1,294,078,980	522,984,193	581,286,539	266,184,338
2018	30,727,576	274,637,780	1,390,841,756	561,435,880	622,295,974	284,192,691
2019	33,426,335	297,645,641	1,684,977,660	616,748,343	682,256,444	310,881,970
2020	37,250,601	290,346,785	1,681,891,083	662,939,267	707,168,061	334,408,023
2021	36,820,910	300,512,257	1,660,552,636	657,244,595	701,836,668	336,248,911
2022	40,943,385	317,781,215	1,771,311,390	693,018,753	746,379,733	369,888,806
2023	47,509,971	342,843,789	1,930,400,883	757,820,618	795,736,277	399,967,180
2024	52,803,863	310,871,178	1,784,582,261	809,158,337	825,439,447	424,776,849

Source:

Dallas Central Appraisal District with exception of Carrollton-Farmers Branch I.S.D. In 2009, Carrollton-Farmers Branch I.S.D. began reporting their own values since the district spans multiple counties and appraisal districts began reporting only their portion of an entity's value if the entity overlaps jurisdictions.

CITY OF FARMERS BRANCH, TEXAS

TABLE 8

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2024			2015		
TAXPAYER	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE (a)	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE (b)
Southern Glazers Wine and Spirits	$ 199,162,980	1	2.15%	$		
JDFW Boardwalk LLC	193,000,000	2	2.08%			
WRIA 2017 LP	190,704,030	3	2.05%			
Luxia Gallery House LLC	181,500,000	4	1.96%			
Royal TX Partners LLC	136,000,000	5	1.47%			
UDR Canal I LLC	125,000,000	6	1.35%			
VAF2 Mack Lakeside LLC	113,620,000	7	1.22%			
Mercer Acquisition LLC	110,000,000	8	1.19%			
EOS Properties at Providence Towers	102,000,000	9	1.10%	72,000,000	4	1.71%
Lakeview at Parkside	100,000,000	10	1.08%	49,600,000	10	1.18%
70 Washington Street LP				123,423,850	1	2.93%
Occidental Chemical Corporation				75,200,000	2	1.78%
Maxim Integrated Products				72,121,955	3	1.71%
Garden Centura LP				69,275,000	5	1.64%
Glazers Wholesale Drug Co.				58,915,520	6	1.40%
AT&T Communications (formerly Southwestern Bell/Cingular)				54,406,080	7	1.29%
TP IP Tower III Corporation				53,000,000	8	1.26%
IBM Corporation				49,789,310	9	1.18%
	$ 1,450,987,010		15.65%	$ 677,731,715		16.08%

Source: Dallas County, "City Report of Property Value," City of Farmers Branch
Notes:
(a) Total taxable value October 1, 2023 (2024 fiscal year) is $9,280,116,565.
(b) Total taxable value October 1, 2014 (2015 fiscal year) is $4,216,240,665.

CITY OF FARMERS BRANCH, TEXAS

TABLE 9

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	ACTUAL LEVY YEAR	ORIGINAL LEVY (1)	SUBSEQUENT ADJUSTMENTS	TOTAL LEVY	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS/ (REFUNDS) IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
					CURRENT TAX COLLECTIONS	PERCENT OF TOTAL LEVY COLLECTED		TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TOTAL LEVY
2015	2014	$ 25,393,026	$ (365,086)	$ 25,027,940	$ 24,917,704	99.56%	$ 81,866	$ 24,999,570	99.89%
2016	2015	27,340,502	(432,402)	26,908,100	26,719,748	99.30%	152,251	26,871,999	99.87%
2017	2016	29,226,869	(574,254)	28,652,615	28,371,356	99.02%	217,029	28,588,385	99.78%
2018	2017	30,727,576	(43,867)	30,683,709	30,399,097	99.07%	201,167	30,600,264	99.73%
2019	2018	33,426,335	(419,367)	33,006,968	33,064,557	100.17%	(140,824)	32,923,733	99.75%
2020	2019	37,250,601	(474,649)	36,775,952	36,897,441	100.33%	(232,147)	36,665,294	99.70%
2021	2020	36,820,910	3,470,546	40,291,456	40,300,904	100.02%	(121,859)	40,179,045	99.72%
2022	2021	40,943,385	1,048,845	41,992,230	42,196,219	100.49%	(255,160)	41,941,059	99.88%
2023	2022	47,509,971	(1,441,516)	46,068,455	48,429,875	105.13%	(1,664,174)	46,765,701	101.51%
2024	2023	52,803,863	227,126	53,030,989	52,643,219	99.27%	-	52,643,219	99.27%

Source: Dallas County Tax Office

Note:
(1) The original levy is as of July of the previous fiscal year and does not include any subsequent adjustments.

CITY OF FARMERS BRANCH, TEXAS

TABLE 10

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	GENERAL OBLIGATION BONDS	DEVELOPER ADVANCES	LEASES & SBITAs	TOTAL OUTSTANDING DEBT	TAXABLE ASSESSED VALUE	PERCENTAGE OF TAXABLE ASSESSED VALUE	ESTIMATED POPULATION (1)	DEBT PER CAPITA
Governmental Activities:								
2015	$ 41,268,133	$ 6,557,028	$ -	$ 47,825,161	$ 4,216,240,665	1.13%	30,350	$ 1,576
2016	40,762,188	5,727,028		46,489,216	4,539,598,200	1.02%	30,480	1,525
2017	37,342,191	4,437,028		41,779,219	4,852,809,226	0.86%	31,560	1,324
2018	59,135,530	2,401,028		61,536,558	5,101,985,597	1.21%	31,590	1,948
2019	55,232,993			55,232,993	5,575,637,174	0.99%	31,780	1,738
2020	60,949,386			60,949,386	6,213,539,033	0.98%	41,848	1,456
2021	56,287,366			56,287,366	6,251,427,895	0.90%	35,991	1,564
2022	75,181,055		325,442	75,506,497	6,951,338,755	1.09%	38,143	1,980
2023	70,035,771		662,657	70,698,428	8,066,208,989	0.88%	38,615	1,831
2024	65,751,051		361,112	66,112,163	9,280,116,565	0.71%	39,070	1,692

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) Population based on North Central Texas Council of Governments (NCTCOG) original population estimates, with the exception of Fiscal Year 2020 and 2021, which are based on the estimated US Census.The US Census Bureau subsequently lowered their original 2020 population estimate in July 2021. Beginning in Fiscal Year 2022, the NCTCOG estimates published in January were used.

CITY OF FARMERS BRANCH, TEXAS

TABLE 11

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND (1)	TOTAL	TAXABLE ASSESSED VALUE	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	ESTIMATED POPULATION (2)	PER CAPITA
2015	$ 41,268,133	$ 232,113	$ 41,036,020	$ 4,216,240,665	0.97%	30,350	$ 1,352
2016	40,762,188	926,091	39,836,097	4,539,598,200	0.88%	30,480	1,307
2017	37,342,191	488,376	36,853,815	4,852,809,226	0.76%	31,560	1,168
2018	59,135,530	725,906	58,409,624	5,101,985,597	1.14%	31,590	1,849
2019	55,232,993	2,799,117	52,433,876	5,575,637,174	0.94%	31,780	1,650
2020	60,949,386	2,997,410	57,951,976	6,213,539,033	0.93%	41,848	1,385
2021	56,287,366	3,976,972	52,310,394	6,251,427,895	0.84%	35,991	1,453
2022	75,181,055	2,552,786	72,628,269	6,951,338,755	1.04%	38,143	1,904
2023	70,035,771	287,803	69,747,968	8,066,208,989	0.86%	38,615	1,806
2024	65,751,051	-	65,751,051	9,280,116,565	0.71%	39,070	1,683

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) The amount available for debt service in 2024 is negative due to the classification of revenue received from the Dallas Stars lease being classified as unearned revenue until the facility opens in January 2025.

(2) Population based on North Central Texas Council of Governments (NCTCOG) original population estimates, with the exception of Fiscal Year 2020 and 2021, which are based on the estimated US Census.The US Census Bureau subsequently lowered their original 2020 population estimate in July 2021. Beginning in Fiscal Year 2022, the NCTCOG estimates published in January were used.

CITY OF FARMERS BRANCH, TEXAS

TABLE 12

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2024
(UNAUDITED)

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE OVERLAPPING (1)	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt repaid with property taxes			
Carrollton/Farmers Branch Independent School District	$ 643,675,000	19.04%	$ 122,555,720
Dallas Independent School District	4,064,130,000	1.62%	65,838,906
Dallas County Hospital District	527,660,000	2.31%	12,188,946
Dallas County Community College District	318,675,000	2.31%	7,361,393
Dallas County	198,645,000	2.31%	4,588,700
Valwood Improvement Authority	2,385,000	50.47%	1,203,710
Subtotal, overlapping debt	5,755,170,000		213,737,374
City direct debt (2)	65,751,051	100.00%	65,751,051
Total direct and overlapping bonded debt	$ 5,820,921,051		$ 279,488,426
Ratio of overlapping bonded debt to taxable assessed valuation			
(valued at 100% of market value)		3.01%	
Per capita overlapping bonded debt		$ 7,153.53 (3)	

Source: Municipal Advisory Council of Texas

Notes:

(1) The "Estimated Percentage Overlapping" is determined by dividing the City's certified taxable value by the County and related other County entities certified taxable values. The share of market value for Carrollton/Farmers Branch ISD, Dallas ISD and Valwood Improvement Authority is calculated by the Dallas Central Appraisal District (DCAD) once every two years as these boundaries overlap within the City. (Source: Municipal Advisory Council of Texas)
(2) The City direct debt includes General Obligation Refunding Bonds, Taxable Series 2011, in the amount of $1,155,000 and Certificates of Obligation, Taxable Series 2022, in the amount of $23,215,000 which are being paid from amounts received under the Ground Lease Agreement (the "Lease") entered into by the City and the Dallas Stars, L.P. The City direct debt also includes bond premiums/discounts.
(3) Based on estimated population.

CITY OF FARMERS BRANCH, TEXAS

TABLE 13

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	ESTIMATED POPULATION (1)	MEDIAN AGE (2)	PER CAPITA INCOME (2)	PERSONAL INCOME (3)	UNEMPLOYMENT RATE % (4)
2015	30,350	36.1	$ 29,573	$ 897,540,550	3.7%
2016	30,480	36.7	30,054	916,045,920	4.0%
2017	31,560	35.9	31,053	980,032,680	3.6%
2018	31,590	35.9	30,993	979,068,870	3.3%
2019	31,780	36.4	33,214	1,055,540,920	3.0%
2020	41,848	35.7	36,058	1,508,955,184	6.4%
2021	35,991	35.7	36,058	1,297,763,478	4.2%
2022	38,143	34.9	38,940	1,485,288,420	3.3%
2023	38,615	34.1	43,681	1,686,741,815	3.8%
2024	39,070	33.5	44,577	1,741,623,390	3.9%

Sources/Notes:

(1) Population based on North Central Texas Council of Governments (NCTCOG) original population estimates, with the exception of Fiscal Year 2020 and 2021, which are based on the estimated US Census.The US Census Bureau subsequently lowered their original 2020 population estimate in July 2021. Beginning in Fiscal Year 2022, the NCTCOG estimates published in January were used.

(2) Median Age and Per Capita Income data provided by U.S. Census Bureau's American Community Survey - 5 Year Estimates.

(3) Personal Income is derived by multiplying per capita income by the estimated population.

(4) Unemployment Rate % provided by Bureau of Labor Statistics.

The following information is provided by the U.S. Census Bureau based on 2020 estimated census information.

Households:	14,295	Male:	17,492
Families:	9,546	Female:	18,499

Race and Hispanic Origin:

White alone	71.70%
Black or African American alone	5.70%
American Indian and Alaska Native alone	0.40%
Asian alone	7.50%
Native Hawaiian and Other Pacific Islander alone	0.00%
Hispanic or Latino	49.10%
White alone, not Hispanic or Latino	34.90%
Two or More Races	4.70%

Source: U.S. Census Bureau

CITY OF FARMERS BRANCH, TEXAS

TABLE 14

PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO
(UNAUDITED)

	2024 (1)			2015 (1)		
EMPLOYERS	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT
Federal Government - Internal Revenue Service	1,200	1	1.65%	1,200	3	1.44%
Feizy	1,170	2	1.60%			
Anserteam LLC	1,001	3	1.37%			
Telvista	1,000	4	1.37%	1,000	5	1.20%
TD Industries	900	5	1.23%	900	6	1.08%
Haggar Clothing Company	750	6	1.03%	750	7	0.90%
IBM Corporation	700	7	0.96%	1,870	2	2.25%
Moni Smart Security (aka Monitronics or Brinks Home Security)	700	7	0.96%	700	8	0.84%
Encore Enterprises, Inc.	650	9	0.89%	650	9	0.78%
Glazer's Wholesale Drug Company	650	9	0.89%	650	9	0.78%
JPMorgan Chase Investment Services				2,390	1	2.87%
GEICO				1,088	4	1.31%
	8,721		11.95%	11,198		13.45%

Sources:

Beginning in 2023, employment estimates were sourced from US Census Bureau OnTheMap, which represents a three-year lag. The total estimated employment for the area is 72,932 per this source. Prior employment estimates were sourced from North Central Texas Council of Governments (NCTCOG), which has a five-year lag. For 2015 estimated total employment was 83,218. (See NCTCOG 2030 Demographic Forecast and Demographic Data for Farmers Branch for further information.) The NCTCOG report is adjusted by the City of Farmers Branch finance department for businesses that closed or moved prior to the reporting year.

Note:
(1) Employers with the same number of employees are ranked the same, which may result in the reporting of more than 10 employers.

CITY OF FARMERS BRANCH, TEXAS

TABLE 15

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	72.14	73.60	74.21	69.31	69.14	70.56	69.67	81.15	87.52	91.13
General administration	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Communications	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Economic development and planning	3.00	3.00	3.00	2.00	2.00	2.00	2.00	7.00	7.00	7.00
Support services	-	-	-	-	-	-	-	-	-	6.00
Human resources	7.00	7.47	6.47	7.75	7.75	6.75	6.48	7.48	7.00	7.00
Finance	24.48	28.24	29.38	18.21	18.21	18.73	18.96	19.96	20.00	18.47
Innovation and technology	-	0.00	0.00	11.89	11.89	12.89	12.75	14.25	14.75	17.25
Community services	28.00	26.19	27.00	20.00	20.00	20.00	20.00	8.00	11.00	7.18
Neighborhood services	-	-	-	-	-	-	-	15.00	17.00	8.00
Animal services	-	-	-	-	-	-	-	-	-	8.46
Other	2.66	1.70	1.36	1.46	1.29	2.19	1.48	1.46	2.77	2.77
Public safety	198.15	199.11	184.49	189.42	189.46	195.90	196.36	204.35	206.20	215.25
Police	116.32	115.85	100.85	102.60	102.60	104.60	104.60	111.60	112.59	118.06
Fire	78.19	79.37	79.38	82.70	82.70	88.70	88.00	89.00	91.00	94.58
Other	3.64	3.89	4.26	4.12	4.16	2.60	3.76	3.75	2.61	2.61
Public works	32.17	35.43	36.90	45.79	45.91	44.77	44.69	37.69	36.71	35.52
Public health/sustainability	-	0.00	0.00	20.17	20.17	20.17	19.00	12.00	12.19	10.00
Public works	31.00	34.17	35.17	24.00	24.00	24.00	24.00	24.00	24.00	25.00
Other	1.17	1.26	1.73	1.62	1.74	0.60	1.69	1.69	0.52	0.52
Culture and recreation	101.91	103.35	103.77	106.99	101.52	110.97	105.62	105.62	105.46	105.19
Parks	98.86	98.80	99.81	102.87	97.45	105.01	101.49	101.49	100.17	92.40
Tourism										8.70
Other	3.05	4.55	3.96	4.12	4.07	5.96	4.13	4.13	5.29	4.09
Water and sewer	27.17	27.76	27.89	27.88	27.93	27.51	27.82	27.82	27.44	26.44
Water and sewer	26.46	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	26.00
Other	0.71	0.76	0.89	0.88	0.93	0.51	0.82	0.82	0.44	0.44
Fleet and facilities management	0.24	0.31	0.27	0.27	0.28	0.51	0.59	0.59	0.89	0.69
Fleet and facilities	0.24	0.31	0.27	0.27	0.28	0.51	0.59	0.59	0.89	0.69
Total	431.78	439.56	427.53	439.66	434.24	450.22	444.75	457.22	464.22	474.22

Source: City of Farmers Branch Finance Department

Notes:
Information is reported from amended budgets. In 2018, Innovation & Technology was separated from Finance and Public Health & Sustainability was separated from Public Works. In 2023-24, several divisions were moved resulting in numerous changes to the reporting structure.

CITY OF FARMERS BRANCH, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year					
	2015	2016	2017	2018	2019	2020
Public safety						
Police						
Number of authorized full-time employees	113	113	98	100	100	102
Number of authorized sworn officers	74	74	74	76	76	78
Number of violations (citations)	13,332	10,948	13,095	11,612	12,111	5,262
Fire						
Number of authorized full-time employees	78	79	79	82	82	88
Number of EMS runs	2,589	2,887	2,878	2,854	2,933	2,883
Number of fire runs	1,601	1,823	1,759	1,843	2,026	2,142
Public works						
Street reconstruction (lane-miles)	1.4	1.2	2.8	0.0	0.1	0.0
Street resurfacing (lane-miles)	22.0	9.6	1.0	11.5	4.7	7.3
Culture and recreation						
Parks						
Recreation memberships sold (basic) [discontinued]	1,347	1,364	1,442	1,866	1,409	936
Recreation memberships sold (fitness)	1,019	1,055	1,059	1,191	1,112	1,696
Classic all-access membership (new 2023-24)						
Total pool admissions (1)	51,547	40,963	61,847	68,309	82,857	32,452
Visits to Historical Park	85,799	95,847	109,785	102,413	32,013	19,549
Library						
Volumes borrowed	343,592	303,513	274,219	191,735	177,901	139,239
Volumes in library collection	137,586	136,953	132,602	116,238	116,093	90,711
Water and sewer						
Average daily water consumption (thousands of gallons)	7,743	8,048	7,084	7,901	7,560	7,617
Number of water consumers	9,729	9,770	9,770	9,937	10,182	10,477
Total water purchased (thousands of gallons)	2,826,124	2,937,377	2,585,683	2,883,997	2,759,506	2,780,257
Total waste water consumption (thousands of gallons)	1,300,202	1,732,552	1,712,000	1,549,501	1,594,644	1,666,056

Sources: Various City departments.

Note:

(1) Total pool admissions have been restated for fiscal years 2015 and 2016 to include all pool admissions; previously, only daily-pass holders were included in the count. For the period ending 2020, the aquatics center ceased operations beginning March 13 and reopened June 15 to the public at 50% capacity in light of the COVID-19 pandemic.

Fiscal Year			
2021	2022	2023	2024
102	105	111	117
78	80	85	89
8,016	5,712	6,604	12,398
88	89	90	93
3,458	3,519	3,768	3,551
2,490	2,238	2,464	2,498
0.0	0.0	0.0	0.5
8.1	2.7	1.5	3.1
515	354	451	-
3,526	2,062	4,964	4,807
			303
37,783	41,193	44,843	66,811
19,070	35,753	28,113	32,247
140,366	195,796	200,039	201,797
77,389	84,334	88,440	73,890
7,596	7,553	8,153	7,212
10,784	11,242	11,254	11,269
2,772,384	2,756,901	2,975,996	3,426,434
1,594,355	1,525,702	1,552,049	1,751,762

CITY OF FARMERS BRANCH, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	2015	2016	2017	2018	2019
General government					
Number of general government buildings	1	1	1	1	1
Public safety					
Number of fire stations	3	3	3	3	3
Number of patrol units	15	15	19	19	19
Number of police stations	1	1	1	1	1
Public works					
Landfill capacity (million cubic yards)	24.5	24.5	53.2	53.2	53.2
Number of traffic signals	55	55	55	55	58
Streets (lane miles) (1)	411.5	412.0	413.1	413.1	427.1
Culture and recreation					
Number of aquatic centers (2)	1	1	1	1	1
Number of historical parks	1	1	1	1	1
Number of libraries	1	1	1	1	1
Number of parks	31	31	28	28	28
Number of playgrounds	13	13	13	13	13
Number of recreation centers	1	1	1	1	1
Number of senior centers	1	1	1	1	1
Parks acreage (3)	392	392	450	450	450
Utilities					
Number of fire hydrants	2,012	2,041	2,093	2,171	2,171
Sanitary sewers (miles)	165.9	166.0	152.9	162.8	162.8
Storage capacity (millions of gallons)	21.5	21.5	21.5	21.5	21.5
Storm sewers (miles) (1)	104	112	112	112.5	112.5
Water mains (miles)	206.6	206.6	201.3	202.4	202.4

Sources: Various City departments.

Notes:

(1) Total street and storm sewer miles were reduced in 2020 due to enhanced GIS information and the removal of streets and storm sewer miles that became private property.

(2) The City's pool was demolished in 2014 and construction of a new aquatics center began in 2014. Construction of the aquatics center was completed in 2015.

(3) Parks acreage was changed in 2021 to reflect only actual parks acreage. Prior year data included all acreage maintained by the Parks department.

2020	2021	2022	2023	2024
1	1	1	1	1
3	3	3	3	3
19	21	21	22	24
1	1	1	1	1
53.2	53.2	53.2	53.2	53.2
59	60	60	61	61
405.0	400.0	401.0	397.2	398.4
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
28	28	28	29	30
13	13	13	13	13
1	1	1	1	1
1	1	1	1	1
450	258.93	258.93	261.15	265.67
2,267	2,373	2,439	2,468	2,507
170.3	174.0	176.4	176.6	176.6
21.5	21.5	21.5	21.5	21.5
119.3	102.1	102.6	103.5	102.6
215.0	220.6	224.5	225.3	226.6

CITY OF FARMERS BRANCH, TEXAS

TABLE 18

SCHEDULE OF INSURANCE POLICIES IN FORCE
SEPTEMBER 30, 2024
(UNAUDITED)

POLICY ISSUED BY	AM BEST RATING	POLICY NUMBER	POLICY PERIOD	COVERAGE	DEDUCTIBLES	LIABILITY LIMITS
Texas Municipal League	Property & Auto = A-	04687	10/1/23-9/30/24	General Liability	$ 100,000	$ 5,000,000
Intergovernmental Risk Pool	Workers' Comp = A			Real and Personal Property	5,000	As Scheduled
	Cyber = A			Auto Liability	25,000	1,000,000
				Auto Physical Damage	2,500	Per Schedule
				Law Enforcement Liability	100,000	10,000,000
				Errors & Omissions	50,000	2,000,000
				Mobile Equipment	5,000	As Scheduled
				Workers' Compensation	N/A	350,000 *(SIR)
			10/4/23-9/30/24	Cyber Insurance - Core	See Below	Per Schedule
Tower I	Data & Network Liability Aggregate Limit				-	3,000,000
Tower I	Media Liability Aggregate Limit				-	3,000,000
Tower II	Business Interruption Loss Aggregate Sublimit				50,000	400,000
Tower II	Cyber Extortion Aggregate Sublimit				40,000	200,000
Tower II	Data Recovery Costs Aggregate Sublimit				40,000	400,000
Tower II	Reputational Loss Aggregate Sublimit				40,000	100,000
Tower II	Regulatory Defense and Penalties Aggregate Sublimit				40,000	600,000
Tower II	Payment Card Liabilities & Costs Aggregate Sublimit				40,000	200,000
Tower II	Fraudulent Instruction Aggregate Sublimit				15,000	150,000
Tower II	Funds Transfer Fraud Aggregate Sublimit				15,000	150,000
Tower II	Telephone Fraud Aggregate Sublimit				15,000	150,000
Tower II	Criminal Reward Aggregate Sublimit				15,000	150,000
Tower III	Breach Response Aggregate Limit				20,000	500,000
The Hartford Casualty Insurance Co.	A+	61BSBJC9616	10/23/23-10/23/24	Fidelity Bond for Finance Dir.		250,000
Mid-Continent Casualty Company	A+ IX	04-TOP-000043224	10/1/23-10/01/24	Pollution Liability	1,000,000	2,000,000
QBE Ins Corporation	A	LGS02069-22	1/1/24-12/31/24	Stop Loss Coverage	150,000	1,000,000

Source: City of Farmers Branch Human Resources Department

Notes: Claims Administrator - Workers' Compensation, TML Claims, 18601 LBJ Freeway, Suite 210, Town East Tower, Mesquite, Texas 75150.

CONTINUING FINANCIAL DISCLOSURE SECTION

(Unaudited)

The Continuing Financial Disclosure Section presents various financial data originally distributed in a debt official statement. The City is required to update financial tables originally distributed in a debt official statement within six months after the end of the fiscal year ending on or after September 30, 1999. The financial tables that follow are updated through September 30, 2024, from the last debt issues that were dated August 2022. This financial information is also sent to each nationally recognized municipal securities information repository ("NRMSIR") and to any state information depository ("SID") that is designated by the State of Texas and approved by the Securities and Exchange Commission ("SEC").

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-1

VALUATION, EXEMPTIONS, AND GENERAL OBLIGATION DEBT
(UNAUDITED)

2024-2025 Market Valuation Established by DCAD			$ 11,999,745,450
Less Exemptions/Reductions at 100% Market Value:			
Totally Exempt Parcels		$ 604,089,500	
Homestead		504,438,761	
Capped Value Loss		435,449,997	
Over 65		246,561,836	
Freeport		196,155,482	
Agricultural		27,261,237	
Disabled Persons		11,379,681	
Veteran 100% Disabled		12,559,026	
Disabled Veterans		975,500	
Prorated Total Exempt		499,129	
Under 2500		810,010	
Pollution Control		32,358,144	
Mineral Rights		1,400	
Total Exemptions			2,072,539,703
2024-2025 Net Taxable Assessed Valuation			$ 9,927,205,747
City Funded Debt Payable from Ad Valorem Taxes			$ 75,440,000
Less: Self Supporting Debt			
Series 2011 General Obligation Refunding Bonds	(1)		1,155,000
Series 2022 Certificates of Obligation	(2)		23,215,000
Net General Obligation Debt Payable from Ad Valorem Taxes			$ 51,070,000
General Obligation Interest and Sinking Fund			1,288,920
Ratio of Gross General Obligation Tax Debt to Taxable Assessed Valuation			0.760%
Ratio of Net General Obligation Tax Debt to Taxable Assessed Valuation			0.514%

2025 Estimated Population -	39,070
Per Capita Taxable Assessed Valuation -	$254,088
Per Capita Funded Debt Payable from Ad Valorem Taxes -	$1,307

Notes:

(1) This debt consists of General Obligation Refunding Bonds, Taxable Series 2011, which are self-supporting based upon amounts received under a Ground Lease Agreement (the "Lease") entered into by the City and the Dallas Stars, L.P., with respect to the Dallas Stars Ice Skating facility located in the City. Payments under the Lease are not pledged to the payment of the bonds. If the City determines not to use payments under the Lease, or if such amounts are insufficient to pay debt service on the bonds, the City will be required to assess an ad valorem tax to pay such obligations.

(2) Debt service related to the Certificates are expected to be self-supported by The Multi-sport Complex Lease and Operation Agreement (the “Complex Lease”) to be entered into between the City and the Dallas Stars, L.P. Payments under the Complex Lease are not pledged to the payment of the Certificates. If the City determines not to use payments under the Complex Lease to pay the debt service on the Certificates the City will be required to assess an ad valorem tax to pay such obligations.

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-2

TAXABLE ASSESSED VALUATIONS BY CATEGORY
(UNAUDITED)

	2025		2024		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single Family	$ 3,844,082,670	32.03%	$ 3,400,539,400	30.67%	$ 2,852,485,430	29.48%
Real, Residential, Multi-Family	2,067,321,710	17.23%	1,977,994,380	17.84%	1,741,961,480	18.00%
Real, Vacant Lots/Tracts	183,203,220	1.53%	178,235,680	1.61%	177,592,600	1.84%
Real, Commercial	4,262,714,340	35.52%	3,743,777,730	33.77%	3,341,712,310	34.53%
Real, Industrial	34,189,750	0.28%	31,106,870	0.28%	23,002,020	0.24%
Real, Oil, Gas, and Other Mineral Reserves	1,400	0.00%	1,400	0.00%	1,400	0.00%
Real and Tangible Personal, Utilities	109,144,130	0.91%	109,249,730	0.99%	95,975,470	0.99%
Tangible Personal, Commercial	1,278,294,800	10.65%	1,437,761,640	12.97%	1,262,178,500	13.04%
Tangible Personal, Industrial	220,793,430	1.84%	207,985,080	1.88%	181,644,990	1.88%
Total Appraised Value Before Exmeptions	11,999,745,450	100.00%	11,086,651,910	100.00%	9,676,554,200	100.00%
Less: Total Exemptions/Reductions	2,072,539,703		1,806,535,345		1,610,345,211	
Taxable Assessed Value	$ 9,927,205,747		$ 9,280,116,565		$ 8,066,208,989	

	2022		2021	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single Family	$ 2,412,356,700	29.05%	$ 2,144,776,600	28.24%
Real, Residential, Multi-Family	1,441,680,070	17.36%	1,263,119,750	16.63%
Real, Vacant Lots/Tracts	192,020,310	2.31%	179,261,330	2.36%
Real, Commercial	2,868,687,670	34.55%	2,587,208,370	34.06%
Real, Industrial	23,531,410	0.28%	19,599,930	0.26%
Real, Oil, Gas, and Other Mineral Reserves	1,400	0.00%	1,400	0.00%
Real and Tangible Personal, Utilities	102,465,320	1.23%	100,293,170	1.32%
Tangible Personal, Commercial	1,097,355,400	13.22%	1,115,892,190	14.69%
Tangible Personal, Industrial	165,067,350	1.99%	185,619,700	2.44%
Total Appraised Value Before Exmeptions	8,303,165,630	100.00%	7,595,772,440	100.00%
Less: Total Exemptions/Reductions	1,351,826,875		1,344,344,545	
Taxable Assessed Value	$ 6,951,338,755		$ 6,251,427,895	

Notes:
Valuations shown are certified taxable assessed values reported by the Dallas Central Appraisal District (DCAD) to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the DCAD updates records.

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-3

VALUATION AND GENERAL OBLIGATION DEBT HISTORY
(UNAUDITED)

FISCAL YEAR	ESTIMATED POPULATION (1)	TAXABLE ASSESSED VALUATION	TAXABLE ASSESSED VALUATION PER CAPITA (2)	G.O. TAX DEBT OUTSTANDING AT END OF YEAR (3)	RATIO OF G.O. TAX DEBT TO TAXABLE ASSESSED VALUATION (2)	G.O. TAX DEBT PER CAPITA (2)(3)
2021	35,991	$ 6,251,427,895	$ 173,694	$ 55,972,366	0.90%	$ 1,555
2022	38,143	6,951,338,755	182,244	74,861,055	1.08%	1,963
2023	38,615	8,066,208,989	208,888	69,710,771	0.86%	1,805
2024	39,070	9,280,116,565	237,525	65,631,928	0.71%	1,680
2025	39,070	9,927,205,747	254,088	65,751,051	0.66%	1,683

Notes:

(1) Population based on North Central Texas Council of Governments (NCTCOG) original population estimates, with the exception of Fiscal Year 2020 and 2021, which are based on the estimated US Census.The US Census Bureau subsequently lowered their original 2020 population estimate in July 2021. Beginning in Fiscal Year 2022, the NCTCOG estimates published in January were used. The current fiscal year is a projection.

(2) As reported by the Dallas Central Appraisal District on the City's Annual State Property Tax Reports; subject to change during the ensuing year.

(3) Includes self-supporting debt Taxable Series 2011 General Obligation Refunding Bonds and Series 2022 Certificates of Obligation. Excludes direct placement offerings.

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-4

TAX RATE, LEVY, AND COLLECTION HISTORY
LAST FIVE FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	TAX RATE	GENERAL FUND	I & S FUND	TOTAL ADJUSTED TAX LEVY	% CURRENT COLLECTIONS	% TOTAL COLLECTIONS
2021	$ 0.5890	$ 0.5062	$ 0.0828	$ 40,146,002	100.02%	99.72%
2022	0.5890	0.5272	0.0618	42,422,590	100.49%	99.88%
2023	0.5890	0.5308	0.5820	47,509,971	105.13%	101.51%
2024	0.5690	0.5204	0.0486	52,803,863	99.70%	99.70%
2025	0.5435	0.4893	0.0542	53,954,363		

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-5

TEN LARGEST TAXPAYERS
FISCAL YEAR 2025
(UNAUDITED)

TAXPAYER	NATURE OF PROPERTY	TAXABLE VALUE	PERCENTAGE OF TOTAL CERTIFIED TAXABLE VALUE
WRIA 2017 LP	Real Estate Development	$ 199,500,000	2.01%
JDFW Boardwalk LLC	Real Estate Development	198,450,000	2.00%
Luxia Gallery House LLC	Apartment Complex	173,000,000	1.74%
Royal TX Partners LLC	Real Estate - Office/Showroom	136,000,000	1.37%
UDR Canal I LLC	Real Estate Development	128,000,000	1.29%
Mercer Acquisition LLC	Real Estate Development	113,500,000	1.14%
VAF2 Mack Lakeside LLC	Real Estate Development	106,000,000	1.07%
Lakeview at Parkside	Apartment Complex	102,000,000	1.03%
International Plaza I	Office Tower - Class A	101,000,000	1.02%
5005 LBJ Tower LLC	Real Estate Development	99,926,650	1.01%
		$ 1,357,376,650	13.68%

Source: Dallas County, "City Report of Property Value," City of Farmers Branch. The total certified taxable value for the 2024-25 fiscal year is $9,927,205,747..

2025 Principal and Interest Requirements (1)		$	5,262,881
$0.0478	Tax Rate at 99% Collection Produces		5,267,772
Average Annual Principal and Interest Requirements, 2025-2047 (1)		$	2,786,137
$0.0296	Tax Rate at 99% Collection Produces		2,791,133
Maximum Annual Net Principal and Interest Requirements, 2028		$	5,531,659
$0.0576	Tax Rate at 99% Collection Produces		5,533,127

Note:
(1) Excludes self-supporting debt Taxable Series 2011 General Obligation Refunding Bonds and Series 2022 Certificates of Obligation for the Dallas Stars Multi-Sport Complex.

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-7

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS
(UNAUDITED)

FISCAL YEAR	OUTSTANDING DEBT (1) PRINCIPAL	INTEREST	TOTAL	LESS SELF-SUPPORTING DEBT (2)	NET DEBT SERVICE REQUIREMENTS	% OF PRINCIPAL RETIRED
2025	$ 4,710,000	$ 2,791,254	$ 7,501,254	$ 2,238,374	$ 5,262,881	
2026	4,945,000	2,690,168	7,635,168	2,243,218	5,391,950	
2027	4,530,000	2,504,339	7,034,339	1,643,089	5,391,250	
2028	4,850,000	2,320,246	7,170,246	1,638,586	5,531,660	
2029	5,045,000	2,124,524	7,169,524	1,642,581	5,526,943	31.92%
2030	4,355,000	1,942,254	6,297,254	1,639,998	4,657,256	
2031	4,145,000	1,784,702	5,929,702	1,640,748	4,288,954	
2032	4,310,000	1,628,565	5,938,565	1,639,434	4,299,131	
2033	4,465,000	1,471,117	5,936,117	1,640,798	4,295,319	
2034	4,180,000	1,320,071	5,500,071	1,639,746	3,860,325	60.36%
2035	3,560,000	1,182,332	4,742,332	1,641,126	3,101,206	
2036	3,690,000	1,050,634	4,740,634	1,639,749	3,100,885	
2037	3,665,000	911,767	4,576,767	1,640,758	2,936,009	
2038	3,805,000	769,753	4,574,753	1,638,603	2,936,150	
2039	2,345,000	648,493	2,993,493	1,643,249	1,350,244	82.98%
2040	1,505,000	566,218	2,071,218	1,640,418	430,800	
2041	1,575,000	496,212	2,071,212	1,640,112	431,100	
2042	1,650,000	422,893	2,072,893	1,642,093	430,800	
2043	1,725,000	345,351	2,070,351	1,640,451	429,900	
2044	1,805,000	263,431	2,068,431	1,640,031	428,400	93.93%
2045	1,455,000	186,345	1,641,345	1,641,345	-	
2046	1,525,000	114,274	1,639,274	1,639,274	-	
2047	1,600,000	38,696	1,638,696	1,638,696	-	100.00%
	$ 75,440,000	$ 27,573,638	$ 103,013,638	$ 38,932,476	$ 64,081,162	

Notes:
(1) "General Obligation Bonds" do not include lease/purchase obligations. Debt includes premiums/discounts.

(2) Self-Supporting Debt: Taxable Series 2011 General Obligation Refunding Bonds and Series 2022 Certificates of Obligation for the Dallas Stars Multi-Sport Complex.

INTEREST AND SINKING FUND BUDGET PROJECTION
(UNAUDITED)

Net Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2025		$ 5,262,881
Interest and Sinking Fund, 9/30/2024	1,288,920	
Budgeted Interest and Sinking Fund Tax Levy	4,883,000	
Budgeted Penalty and Interest	3,100,000	9,271,920
Estimated Balance, 9/30/2025		$ 4,009,039

Note:
(1) Excludes self-supporting debt Taxable Series 2011 General Obligation Refunding Bonds and Series 2022 Certificates of Obligation for the Dallas Stars Multi-Sport Complex.

TABLE CD-9

COMPUTATION OF SELF-SUPPORTING DEBT
(UNAUDITED)

Budgeted Fiscal Year 2025 Stars Center Revenues (1)	$	3,100,000
Less: Requirements for Taxable Series 2011 Bonds and Taxable 2022 Certificates		2,238,374
Balance Available for Other Purposes	$	861,626

Notes:

(1) The General Obligation Refunding Bonds, Taxable Series 2011 refunded the Combination Tax and Revenue Certificates of Obligation, Taxable Series 2004 which were self-supporting general obligation debt based upon amounts received under the terms of a Ground Lease Agreement (the "Lease") between the City and the lessee, the Dallas Stars L.P. (the "Dallas Stars"), which Lease relates to the community-style recreational ice-skating and conference facility financed in part with the proceeds of the Series 2004 Taxable Certificates. The obligation of the Dallas Stars to make lease payments to the City to support the payment of the bonds is dependent on the satisfaction of certain ongoing requirements in the Lease. The City currently transfers Lease payments to the debt service fund to pay debt service on the bonds and anticipates it will continue to do so. If the City discontinues such transfers, the City will be required to assess an ad valorem tax for the payment of the Taxable Series 2011 Bonds.

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-10

HOTEL/MOTEL TAX REVENUE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	HOTEL/MOTEL TAX REVENUE	NUMBER OF ROOMS
2015	$ 2,728,631	2,137
2016	2,959,667	2,137
2017	2,892,655	2,137
2018	2,849,666	1,957
2019	3,115,374	2,146
2020	1,794,067	2,272
2021	1,683,018	2,272
2022	2,913,839	2,273
2023	3,341,512	2,273
2024	3,515,051	2,159

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-11

HOTEL OCCUPANCY TAXPAYERS
SEPTEMBER 30, 2024
(UNAUDITED)

HOTEL	NUMBER OF ROOMS	TAXES PAID	% OF TOTAL
Doubletree by Hilton Dallas Near the Galleria	290	$ 661,700	18.82%
Sheraton Dallas Hotel by the Galleria	317	594,466	16.91%
Renaissance Dallas North	337	529,414	15.06%
Doubletree by Hilton Dallas-Farmers Branch	160	412,218	11.73%
Hampton Inn & Suites	116	305,066	8.68%
Holiday Inn Express & Suites	104	238,559	6.79%
AIRNB - Avalara	Varies	163,750	4.66%
Candlewood Suites	86	155,579	4.43%
Comfort Inn & Suites (aka Parkside Hotel)	106	129,409	3.68%
Wyndam Corporation	350	118,851	3.38%
Motel 6 Dallas	108	82,587	2.35%
Super 8 North Dallas	51	39,818	1.13%
ARYA (formerly Days Inn North Dallas)	51	34,654	0.99%
Stripe Accounts-Short Term Rentals	Varies	25,047	0.71%
Extended Stay America #6069	83	23,933	0.68%
	2,159	$ 3,515,051	100.00%

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-12

CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES
FISCAL YEARS ENDED SEPTEMBER 30
(UNAUDITED)

	FISCAL YEARS ENDED SEPTEMBER 30				
	2024	2023	2022	2021	2020
REVENUES:					
Program revenues:					
Charges for services	$ 19,240,981	$ 27,271,284	$ 15,283,649	$ 16,709,860	$ 13,114,957
Operating grants and contributions	815,576	2,356,770	930,087	1,565,257	2,177,925
Capital grants and contributions	1,349,652	1,733,548	457,008	4,164,801	5,920,245
General revenues:					
Taxes:					
Property taxes, levied for general purposes	45,710,705	42,362,924	36,920,934	34,131,625	30,636,546
Property taxes, levied for debt service	4,451,622	4,799,484	4,414,339	4,973,900	4,443,207
Sales and use taxes	24,406,225	25,344,604	24,413,463	18,737,374	17,164,707
Hotel/motel taxes	3,515,051	3,341,512	2,913,839	1,683,018	1,794,067
Franchise taxes	3,791,350	3,870,277	3,856,016	3,885,156	3,873,220
Tax increment financing	2,011,454	1,501,804	860,064	1,557,120	4,513,776
Investment income (loss)	7,459,624	5,280,165	(353,710)	1,031,746	2,393,143
Grants not restricted to a specific purpose	5,078,575	1,745,580	2,546,527		9,979,973
Gain on sale/retirement and miscellaneous	434,537	1,442,422	149,346	41,584	2,280,136
Total revenues	118,265,352	121,050,374	92,391,562	88,481,441	98,291,902
EXPENSES:					
General government	21,150,357	27,032,249	20,254,045	17,255,980	21,181,076
Public safety	38,959,551	36,077,852	24,240,573	26,422,950	29,902,691
Public works	15,389,261	24,718,438	14,182,657	14,984,662	12,899,719
Culture and recreation	18,277,084	16,848,177	16,005,075	13,626,946	14,243,692
Principal retirement	-		417,521		
Interest on long-term debt	1,540,892	2,873,370	2,064,562	1,527,200	1,823,611
Unallocated depreciation	178,508	487,635	466,577	145,929	185,799
Total expenses	95,495,653	108,037,721	77,631,010	73,963,667	80,236,588
Change in net position before transfers	22,769,699	13,012,653	14,760,552	14,517,774	18,055,314
Transfers	5,143,651	5,117,095	4,739,339	3,899,519	11,947,117
Change in net position	27,913,350	18,129,748	19,499,891	18,417,293	30,002,431
Net position--beginning	194,415,343	176,285,595	156,785,704	138,368,411	108,365,980
Net position--ending	$ 222,328,693	$ 194,415,343	$ 176,285,595	$ 156,785,704	$ 138,368,411

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-13

GENERAL FUND REVENUE AND EXPENDITURE HISTORY
FISCALS YEARS ENDED SEPTEMBER 30
(UNAUDITED)

	FISCAL YEARS ENDED SEPTEMBER 30				
	2024	2023	2022	2021	2020
REVENUES					
Property, sales, and franchise taxes	$ 73,781,761	$ 71,389,979	$ 64,703,376	$ 56,693,276	$ 51,521,257
Licenses and permits	2,252,812	2,137,679	2,700,392	3,810,089	2,883,283
Charges for services	11,924,395	10,618,829	9,698,983	8,416,478	7,056,305
Fines and forfeitures	2,061,087	1,147,804	1,159,482	1,447,925	1,560,596
Investment income (loss)	3,455,945	2,426,916	(302,292)	272,084	1,026,467
Miscellaneous	76,826	235,435	78,887	36,370	63,699
Total revenues	93,552,826	87,956,642	78,038,828	70,676,222	64,111,607
EXPENDITURES					
General government	18,967,250	23,855,846	15,209,950	14,509,967	18,300,051
Public safety	36,291,073	32,755,001	28,891,395	27,236,275	28,555,541
Public works	10,673,908	9,863,308	9,564,782	10,067,222	9,623,549
Culture and recreation	13,880,029	13,016,008	12,543,218	14,063,704	11,275,025
Principal retirement	389,947	302,872	69,556		
Interest and fiscal agent charges	21,997	-	28,465		
Capital outlay	4,133,686	3,490,302	2,446,069		
Total expenditures	84,357,890	83,283,337	68,753,435	65,877,168	67,754,166
Excess (deficiency) of revenues over (under) expenditures	9,194,936	4,673,305	9,285,393	4,799,054	(3,642,559)
OTHER FINANCING SOURCES (USES)					
Transfers in	5,593,900	5,929,100	5,307,900	5,013,400	4,787,700
Transfers out	(8,107,463)	(9,996,000)	(8,469,700)	(3,620,881)	(3,875,700)
Sale of capital assets/insurance recoveries	333,177	956,852	167,281	258,054	2,614,178
Issuance of SBITAs	245,460	640,087			
Total other financing sources	(1,934,926)	(2,469,961)	(2,994,519)	1,650,573	3,526,178
Net change in fund balance	7,260,010	2,203,344	6,290,874	6,449,627	(116,381)
Fund balances--beginning	38,520,555	36,317,211	30,026,337	23,576,710	23,693,091
Fund balances--ending	$ 45,780,565	$ 38,520,555	$ 36,317,211	$ 30,026,337	$ 23,576,710

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-14

MUNICIPAL SALES TAX HISTORY
LAST FIVE FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	TOTAL COLLECTED	% OF AD VALOREM TAX LEVY	EQUIVALENT OF AD VALOREM TAX RATE	PER CAPITA
2020	$ 17,164,707	46.08%	$ 0.2762	$ 410.17
2021	18,737,374	50.89%	0.2997	520.61
2022	24,413,463	59.63%	0.3512	640.05
2023	25,344,604	53.35%	0.3142	656.34
2024	24,406,225	46.22%	0.2630	624.68

The sales tax breakdown for the City is as follows:

Dallas Area Rapid Transit (DART)	1.00¢
City Sales and Use Tax	1.00¢
State Sales and Use Tax	6.25¢
Total	8.25¢

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-15

CURRENT INVESTMENTS
SEPTEMBER 30, 2024
(UNAUDITED)

DESCRIPTION OF INVESTMENT	% OF PORTFOLIO	PURCHASE PRICE	MARKET VALUE
Municipal Obligations	31.43%	$ 40,349,054	$ 41,084,340
Certificates of Deposit	46.11%	60,260,854	60,260,854
TexPool	22.07%	28,847,453	28,847,453
Depository	0.39%	503,834	503,834
	100.00%	$ 129,961,195	$ 130,696,481

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-16

HISTORICAL WATER AND WASTEWATER USAGE
LAST FIVE FISCAL YEARS
(UNAUDITED)

	WATER USAGE AMOUNT IN GALLONS (000)			WASTE WATER CONSUMPTION AMOUNT IN GALLONS (000)
FISCAL YEAR	TOTAL CONSUMPTION	PEAK DAY	AVERAGE DAY	TOTAL USAGE
2020	2,780,257	13,428	7,617	1,666,056
2021	2,772,384	11,665	7,596	1,594,355
2022	2,756,901	14,379	7,553	1,525,702
2023	2,975,996	11,084	8,153	1,552,049
2024	3,426,434	12,620	9,387	1,751,762

Note: Total consumption represents total gallons of water purchased by the City.

TABLE CD-17

TOP TEN WATER CONSUMERS
SEPTEMBER 30, 2024
(UNAUDITED)

CONSUMER	TYPE OF INDUSTRY	2023-24 CONSUMPTION (GALLONS)	% OF TOTAL CONSUMPTION	2023-24 REVENUES	% OF REVENUES
FB Creek Partners (Cooks Creek Apts)	Multi-Family Housing	37,285,000	1.09%	$ 241,419	1.23%
Mansions at Mercer Crossing	Real Estate	24,171,000	0.71%	386,870	1.97%
The Luxe at Mercer Crossing	Multi-Family Housing	23,795,000	0.69%	350,013	1.78%
Luxia Gallery House LLC	Multi-Family Housing	23,574,000	0.69%	457,987	2.33%
Lakeview at Parkside	Multi-Family Housing	21,470,000	0.63%	362,467	1.85%
Wolfspeed Inc.	Technology (Chipmaker)	21,362,000	0.62%	212,850	1.09%
VAF2 (Lakeside) LLC	Real Estate	20,594,000	0.60%	347,922	1.77%
UDR Canal LLC	Multi-Family Housing	19,847,000	0.58%	310,130	1.58%
Towers at Mercer	Multi-Family Housing	19,704,000	0.58%	309,842	1.58%
LR Dal LLC	Real Estate	19,336,000	0.56%	215,797	1.10%

TABLE CD-18

MONTHLY WATER AND SEWER RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	BASE 2,000 GALLONS (1)	NEXT 8,000 GALLONS	NEXT 10,000 GALLONS	OVER 20,000 GALLONS	BASE 2,000 GALLONS	NEXT 8,000 GALLONS (2)	OVER 10,000 GALLONS (2)
2015	$ 14.29	$ 3.89	$ 4.37	$ 4.54	$ 14.95	$ 2.03	$ 2.03
2016	16.44	4.47	5.03	5.22	17.19	2.33	2.33
2017	17.92	4.87	5.48	5.69	18.74	2.54	2.54
2018	19.75	5.40	6.05	6.30	20.65	2.80	3.80
2019	20.94	5.72	6.41	6.68	21.89	2.97	4.03
2020	21.99	6.01	6.73	7.01	22.99	3.12	4.23
2021	21.99	6.01	6.73	7.01	22.99	3.12	4.23
2022	21.99	6.01	6.73	7.01	22.99	3.12	4.23
2023	10.99 / 21.99	6.01	6.73	7.01	22.99	3.12	4.23
2024	21.99	6.01	6.73	7.01	22.99	3.12	4.23

OVERSIZED METER CHARGES:

Meter Size	Meter Charge
5/8" or 3/4"	N/A
1"	'$ 8.79
1 1/2"	17.59
2"	41.68
3"	219.48
4"	285.32
6"	438.91
8"	614.49

Notes:

Rates are based on 3/4" and 5/8" meters, which are the standard household meter sizes. The City charges an additional rate for non-standard meter sizes.

(1) In fiscal year 2023, the base water rate for residential customers was lowered to $10.99 effective for one year.

(2) Private residents are not charged for sewer beyond 10,000 gallons.

CITY OF FARMERS BRANCH, TEXAS

TABLE CD-19

CONDENSED STATEMENT OF WATER AND SEWER SYSTEM OPERATIONS
FISCAL YEARS ENDED SEPTEMBER 30
(UNAUDITED)

	2024	2023	2022	2021	2020
REVENUES					
Charges for services	$ 30,752,465	$ 30,366,063	$ 30,886,842	$ 27,321,970	$ 26,312,327
Investment income (loss)	1,149,241	624,620	(339,664)	(15,076)	188,591
Miscellaneous	-	12,251	44,782	7,658	16,355
Total revenues	31,901,706	31,002,934	30,591,960	27,314,552	26,517,273
EXPENSES					
Personal services	2,527,873	2,458,272	1,681,001	1,932,363	2,263,041
Materials and supplies	288,771	315,268	286,416	265,954	256,041
Maintenance and utilities	2,092,424	1,559,905	1,748,986	1,443,145	1,198,884
Purchase of water	7,060,234	6,803,355	6,668,954	5,658,171	5,424,919
Sewage treatment	5,526,428	5,224,506	4,615,631	4,782,110	4,188,084
Total expenses	17,495,730	16,361,306	15,000,988	14,081,743	13,330,969
Net available for debt service	$ 14,405,976	$ 14,641,628	$ 15,590,972	$ 13,232,809	$ 13,186,304
CUSTOMERS	11,269	11,254	11,242	10,784	10,477

Notes:
The above calculation of amounts available for payment of system debt service excludes non-cash expenses such as depreciation and amortization. Debt service payments are also excluded. Certain nonoperating revenue sources, principally investment income, are included.

TABLE CD-20

AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS
(UNAUDITED)

PURPOSE	DATE AUTHORIZED	AMOUNT AUTHORIZED	AMOUNT PREVIOUSLY ISSUED	UNISSUED BALANCE
Infrastructure	5/4/2024	$ 5,500,000		$ 5,500,000
		$ 5,500,000	$ -	$ 5,500,000

COVERAGE AND FUND BALANCES (FYE 2024)

As of September 30, 2024, the City has no water and sewer revenue bonds outstanding and no authorized but unissued revenue debt.